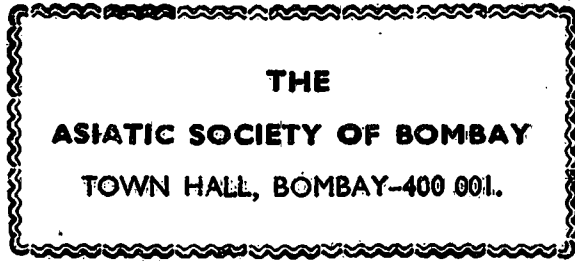
12
6
2

00133670



Digitized with financial assistance from

Government of Maharashtra

on 01 February, 2020

REPORT

OF

The Indian Merchants' Chamber and Bureau

For the Year 1909-1910.

(Sept. 1st, 1909—Aug. 31st, 1910.)

133670

Presented to the Annual General Meeting held on the 15th October 1910.

12
6
2

Bombay:

CROWN PRINTING WORKS.

1910.

00133670

INDEX.

	PAGE.
List of Members	1
Members of the Committee	4
Annual General Meeting	5
Report of the Committee	14
List of Papers and Publications received by the Chamber	18
Death of His Majesty King-Emperor Edward VII ...	20
Indian Councils Bill...	22
Indians assuming and trading under European names..	29
New Lines of Railways	33
Paper Currency Legislation	36
Registration of Letters	58
Insufficiently Directed Telegrams	67
The Indian Companies Act	77
Rules for Grant of Mining Leases	86
Holidays	115
Annual Review of the Trade of India	119
Silver Duty...	120
Patents and Designs Bill	123
New Japanese Tariff	224
Railway Risk Notes	235
Negotiability of Railway Receipts	238
Railway Risk Notes...	240
Forgeries of Railway Receipts	243
Wharfage Rules	246
Railway Risk Notes A and C	247
Wharfage Rules	253
Risk Note Form A	256
Risk Note Forms B and H...	264
Accounts of the Chamber	268
Gujarati Report	270

List of Members of the Indian Merchants' Chamber and Bureau.

1. Mr. Bomanji Dinshaw Petit.
2. Messrs. Morarji Gokuldas & Co.
3. ,, Chhagandas & Co.
4. ,, ,, Pragji Surji & Co.
5. Mr. Mulji Haridas.
6. Messrs. Dinshaw D. Kurranee & Co.
7. Mr. Purshotum Vishram Mowjee.
8. Messrs. M. M. Bottlewalla & Co.
9. ,, Bamjee & Co.
10. Hon. Mr. Manmohandas Ramjee.
11. Mr. Madhavji Thakersey.
12. ,, Morarji Velji.
13. ,, Valji Sundarji.
14. ,, Pragji Vandravan.
15. ,, Ghella Dayal.
16. Messrs. Morarji Kalianji & Co.
17. Mr. Munji Keshavji.
18. ,, Kalidas Dhuramsey.
19. ,, Damodar Haridas.
20. ,, Mulji Kursondas.
21. ,, Ramji Lakhmidas.
22. ,, Valabhdas Jumnadas
23. ,, Lalji Trikumji.
24. ,, Chunilal Sankalchand.
25. Mr. Hemraj Kanji.
26. ,, Jugjiwan Hemraj.
27. ,, Devkaran Narandas.
28. ,, Valji Shamji.
29. Messrs. Bhimjee Ravji & Sons.
30. Mr. Raghavji Anandji.
31. ,, Vallabhdas Kanji.
32. ,, Ratansi Kanji.
33. ,, Chaturbhuj Shivji.
34. ,, Jivram Vussonji.
35. ,, Bhucandas Govindji.
36. ,, Talakchand Jetha.
37. Messrs. Thakersey, Mulji & Co.
38. Mr. Goculdas Shivji.
39. ,, Purushottam Kalidas
40. ,, Damodar Madhavji.
41. ,, Munji Valji.
42. ,, Gordhandas Naranji.
43. ,, Hemraj Jesang.
44. ,, Damodar Valji
45. ,, Jethabhai Valji.
46. ,, Gordhandas Khimji.
47. ,, Jutha Kanji.
48. ,, Trikumdas Purshottam.
49. ,, Bhimji Kara.
50. ,, Pranjiwan Naranji.
51. ,, Valji Khimji.
52. ,, Pragji Dayal.
53. ,, Hariram Velji.
54. ,, Ghelabhai Cullianji.

55. Mr. Mathurdas Gokuldas.
56. ,, Cursondas Cullianji.
57. ,, Girdhardas Jethabhai.
58. ,, Chhotalal Munmohandas.
59. ,, Gopalji Valji.
60. ,, Pudumsi Munji.
61. ,, Rugnathji Tarachand.
62. ,, Canji Curson.
63. ,, Meghji Govind.
64. ,, Bhalchandra Balwant.
65. ,, Runchhoddas Thackersey.
66. ,, Matubhai Vassanji.
67. ,, Chaturbhuj Jivandas
68. ,, Cursondas Purushottam.
69. ,, Cuerji Dharamsey.
70. ,, Jumnadas Suudarji.
71. ,, Purushottam Dwarkadas.
72. ,, Mulji Damodar.
73. ,, Purushotto m Cooverji.
74. ,, Hormusji Bejanji.
75. ,, Bamanji Shapurji.
76. ,, Vaghji Cooerji.
77. Messrs. Mulji Jetha & Co.
78. Mr. Gordhandas Morarji.
79. ,, Gopalji Culianji.
80. ,, Damodar Govind.
81. ,, Ramdas Madhavji.
82. ,, Runchhoddas Vallabhai.
83. Mr. Premchand Ruttanji.
84. ,, Chhotalal Mulchand.
85. ,, Ramji Thakersey.
86. ,, Mulji Pudumsey.
87. ,, Motilal Keshavji.
88. ,, Shamji Vandravan.
89. ,, Visram Dhunji.
90. ,. Bhimji Dwarkadas.
91. ,, Jamsetji Framji Kharas.
92. ,, Vurjiwandas Mulchand.
93. ,, Purushottam Lakhmidas.
94. ,, Hirji Dayal.
95. ,, Sunderji Girdher.
96. ,, Kavasji Temulji.
97. ,, Hemraj Valji.
98. ,, Gopalji Goculdas.
99. ,, Versey Karamsey.
100. ,, Sunderdas Pudumsey.
101. ,, Vallabhdas Lakhmidas.
102. ,, Zaver Jugjiwan.
103. ,, Hurgovind Chattoo.
104. ,, Lalji Naranji.
105. ,, Dayaram Harjiwan.
106. ,, Hiralal Amritlal.
107. ,, Raghavji Ebji.
108. ,, Jeram Hari.
109. ,, Purushottam Govindji.
110. ,, Madanji Monji.
111. ,, Revashanker Jagjiwan.
112. ,, A. C. Rice, Chartered Accountant.

113. Messrs. Motilal Dahyabhai & Co.
114. ,, Devji Kanji & Co.
115. Mr. Jainarain Dani.
116. ,, Shapurji B. Broacha.
117. Messrs. Narandas Rajaram & Co.
118. ,, Haji Mohammed Haji Ismael & Co.
119. Mr. Ratansi Mulji.
120. ,, Bhaidas Narrottamdas.
121. ,, Ramdas Khimji.
122. Messrs. Phirozshah, B. Petit & Co.
123. ,, Dhunjibhoy B. Petit & Co.
124. Mr. S. R. Bamanji.
125. Raja Bahadur Shivlal Motilal.
126. Messrs. Soonderji Arjun & Co.
127. ,, Khimji Visram & Co.
128. Hon. Mr. Ibrahim Rahimtoola.
129. Mr. Vullubhdas Cullianji
130. ,, Kekhushru Manekji.
131. Messrs. O. H. Nazar & Co.
132. ,, Drewet Chowna & Co.
133. Mr. Gordhandas Khatau.
134. Dr. H. L. Batliwala & Co.
135. Mr. N. D. Dadysett.
136. Messrs. R. H. Pathuck & Co.
137. Mr. Harmukhrai Govindram.
138. Messrs. Shaikh Ahmed Shaik Dawood & Co.
139. ,, The All-India United Insurance Co., Ld.
140. R. B. Vassanji Khimji.
141. Mr. Tarachand Ghanshyamdas.
142. The Grain Merchants' Association.
143. Mr. Keshavlal Laloobhai
144. Messrs. K. P. Kothare & Co.
145. ,, The Indian Mercantile Insurance Co., Ld.
146. ,, Jivanchand Laloobhai & Co.
147. Hon. Mr. Lallubhai Samuldas.
148. Messrs. Abdoolkadar Nurbhai & Co.
149. ,, Tata & Co.
150. ,, Hormusji Edulji Davar & Sons.
151. ,, The Berar Manufacturing Co., Ld.
152. ,, Warden & Co.
153. ,, Premchand Roychand & Co.
154. Mr. Lallubhai Zaverdas Muni.

155. Mr. Trimbak Ziuabhai.
156. ,, Gordhandas Khatau.
157. ,, S. B. Bilimoria.
158. ,, Shrimau Samanie.
159. ,, Lalbhai Dalpatbhai (Ahmedabad).
160. ,, Morarji Girdhar.
161. Messrs. Zaveri & Co.
162. ,, Karsandas Mulji Jetha.
163. ,, Alembic Chemical Works, Ltd.
164. ,, Hajibhai Lalji & Co.
165. ,, Kothari Sutaria & Co.
166. ,, Mr. Fazulbhoy Currimbhoy Ibrahim.
167. Mr. Narotum Morarji Gokuldas.
168. ,, Gordhandas Khetsey
169. Messrs. Kawasji Dinshaw Bros.
170. Chairman, The Hindustani Native Merchants' Association.
171. The Bombay Merchants' Bank.
172. Mr. Maneckji Jethabhai Vardhman.
173. ,, Vaghji Becher.
174. ,, Maneckchand Panachand.
175. ,, Arjun Khimji.

Members of the Committee for 1909-10.

1. Mr. Bomonji Dinshaw Petit.
2. The Hon'ble Mr. Munmohandas Ramji (President).
3. Mr. Dinshaw E. Wachha (Representative of Messrs. Morarji Goculdas & Co.)
4. Hon. Sir Vithaldas D. Thackersey.
5. Mr. Purushottumdas Thakoredas (Vice-President).
6. Hon. Mr. Ibrahim Rahimtoola.
7. Mr. Ruttonsee Mulji.
8. ,, Madhavji Thackersey.
9. ,, Shapurji Broacha.
10. Hon. Mr. Lallubhai Samaldas.
11. Mr. Jethabhai Valji.
12. ,, Jainarain Dani.
13. ,, Valji Sundarji.
14. ,, Mulji Haridas.
15. ,, Girdhardas Jethabhai.
16. ,, Revashanker Jugjiwan.
17. ,, Abdoolkadar Noorbhoy.
18. ,, Gordhandas Khatau.
19. ,, Chaturbhuj Shivji.
20. ,, Sorabji Warden.
21. ,, R. B. Vussonji Khimji.
22. Raja Bahadur Shivlal Motilal.
23. Mr. Lakhamsey Napoo (the Grain Merchants' Association).
24. ,, Morarji Velji.
25. ,, P. J. Bilimoria (Representative of Messrs. Tata Sons & Co.)

Secretary.

Mr. Jayasukhlal Krishnalal Mehta, M.A.

Honorary Auditor.

Mr. A. C. Rice, *Chartered Accountant.*

The Indian Merchants' Chamber and Bureau.

ANNUAL GENERAL MEETING.

THE Third Annual General Meeting of the Members of the Indian Merchants' Chamber and Bureau was held at the Office of the Chamber on Saturday, the 15th October 1910 at 3 P. M. (B. T.), to transact the following business:—

(1) To receive the Report of the outgoing Committee for the year 1909-10.

(2) To confirm the nomination of the Members of the new Committee made in accordance with Rule No. 31.

(3) To appoint an Auditor to the Chamber for the ensuing year.

Mr. Munmohandas Ramji, Chairman of the Chamber, presided.

The following members were present.

Mr. Dinshaw E. Wachha; Messrs. Chhagandas & Co. Messrs. Dinshaw D. Karanee & Co , Mr. Madhavji Thakersey, Mr. Manji Keshavji, Mr. Kalidas Dharamsey, Mr. Damodar Haridas, Mr. Mulji Karsandas, Mr. Valji Shamji, Mr. Chaturbhij Shivji, Mr. Bhukandas Govindji, Mr. Gordhandas Naranji, Mr. Jethabhoy Valji, Mr. Jetha Kanji, Mr. Valji Khimji, Mr. Kersandas Kalyanji, Mr. Gopalji Valji, Mr. Kuverji Dharamsey, Mr. Jamnadas Sunderji, Mr. Gopalji Kalyanji, Mr. Ranchordass Valabhoy, Mr. Chotalal Mulchand, Mr. Motilal Keshavji, Mr. Hemraj Valji, Mr. Gopalji Gokuldas, Mr. Girdhardas Jethabhoy, Mr. Valabhdas Gokuldas, Mr. Dayaram Harjiwan, Mr. Hiralal Amratal, Mr. Jairam

Hari, Mr. Jaynaran Dani, Mr. Pushotamdas Thakordas, Mr. S. R. Bomanji, Messrs. Sunderji Arjun & Co., Messrs Shaik Mahmed Shaik Dwood & Co., Messrs. the Grain Merchants Association, Messrs. the Indian Mercantile Insurance & Co., Messrs. Hajibhoy Lalji & Co., Messrs Kothari Sutharia & Co., Mr. Keshavlal Laloobhoy, Mr. Narotum Morarji Gokaldass, Chairman, The Hindustani Native Merchants Association. Hon. Mr. Manmohandas Ramji in proposing the adoption of the Report the said:—I have great pleasure in proposing the adoption of the Third Annual Report and Balance Sheet of the Chamber presented to you. Before I allude to the numerous questions considered by your Committee during the current year let me be allowed to express the profound sorrow of the whole of the Indian Commercial community at the death of His Majesty King Emperor Edward VII. His Majesty was well known for his whole hearted sympathies with his Indian subjects like his Gracious Mother and not on a few occasions influenced for the good the Indian policy of his ministers.

We may be excused if we take a little egoistic pride in what this Chamber has been able to achieve during the short period of three years. It has supplied the want hitherto felt of a spokesman of the Indian commercial community. Not only that but it has been able through the instrumentality of its Journal to spread knowledge of commercial and industrial matters among the public and to direct the attention of the commercial world to questions which affect vitally their interests. You will be all glad to notice from the Report presented to you that the Chamber and its Journal have their services appreciated both by the public and the Government. Though unfortunately forces of disorder are sometimes in evidence, I think I shall not be considered too optimistic if I say that the forces of peace and progress are far more and will curb down the former. It is among these forces of peace and progress that we can reckon movements

of commercial and industrial regeneration. Indeed a new era has dawned where commerce and industry are realised in their real aspect and people instead of being led away by phantasmagoria of words have come to look to what will be of permanent gain and benefit to the country at large. While the commercial and industrial world was thus *qui vive* with the feelings and aspirations of a new life, it was unfortunate that commercial and industrial conditions during the last year were anything but desirable. The depression through which the mill-industry is passing was sufficiently reflected in the speeches delivered at the annual meeting of the Bombay Mill-owners' Association and are even now seen in the closing or short time working of many mills. Agriculture, the staple industry of the country, had a good time of it but even agriculturists had to suffer because of the general high trend of prices current in the country The public notes with satisfaction that an expert has been appointed by the Government to inquire into the causes of these high prices which have in some cases gone up 100 and 200 p. c. These high prices which are not a little responsible for much of the so-called economic and political unrest in the country are also accountable for much of the apparent expansion in our Import and Export Trade. A question is sometimes raised as to why there is not to be observed a turnover of trade in proportion to the Import and Export figures. This is accounted for by high prices. From the following figures you will see that while in the declared values there is an increase of as much as 24 crores of Rupees in the export trade, values at prices of 1903-04 show only an increase of 7 crores of Rupees. The Officiating Director-General of Commercial Intelligence well observes with reference to this phenomenon that 'eliminating the effect of price variations the total volume of imports (including re-exports) for which quantities and values are recorded has increased in seven years by 26 p. c. and imports by4 p. c. while in the case of

imports (including re-exports) increased prices account for 19 p c. and increased quantities for 81 p. c. of the rise in the total values, while in the case of exports increased prices account for 80 p. c. and increased quantities for the remainder." Thus you will see that while imports have increased in quantity 81 p. c. exports have increased only 20 p c. These high prices and their effects on the political life and general trade of the country are an interesting problem and we may hope that an early report on the same will be published by the Government.

I referred before to the depression in the mill-industry. Similarly there was a dullness to be observed in the money and share markets and though the multiplication of banks in the city caused a good deal of interchange of money there was not any briskness seen and there was never any tightness of money felt. The dullness of the share market was due to failures of many mills and to the consequent distrust which the general public has begun to feel in Joint-Stock Companies. This distrust will not pass away unless adequate safeguards and protections are taken by the Government and the Indian Companies Act modelled on the same. This leads me to speak of an important question your Committee had to consider during the year under report—the question of the Revision of the Indian Companies' Act. Your Committee stongly urged upon the Government the introduction of the British Companies' Act 1908 and pressed specially for placing strict prohibitions upon the power of mortgaging of Joint-Stock Companies. The Indian people are yet in the very beginning of commercial progress and it is to be feared greatly that this progress will receive a rude shock if nothing is done to hedge round the Indian Companies' Act with necessary barriers. Many undesirable incidents during the last year were only possible only because of loopholes which the Act as it is affords to the Company promoters and managers and heavy financial loss and the atmosphere of

suspicion and distrust are all attributable to that. It is for these reasons that your committee lay great emphasis on the revision of the Indian Companies' Act.

Another salutary legislation contemplated by the Government relates to Patents and Designs which generally serveas an index to the industrial activity of a people. The draft of the Act framed by the Government and circulated to the commercial bodies for their opinion aims at the assimilation of the Indian Act with the British Patents and Designs Act which has justly earned the encomiums of all the parties in Great Britain. But there is an important ommission and it is that Section 27 of the British Act relating to compulsory working is left out from its Indian prototype. This Section provides for compulsory working of Patents in the country from which they are taken and has given a great impetus to the development of indigenous industries in Great Britain. We have pressed for the insertion of this Section as well of Section 58 relating to compulsory working of Designs in the contemplated Indian Act.

The great feature of the year was the depression of the mill-industry and yet at the time of the last Budget the Government clapped an increased duty on silver much to the consternation of the Indian commercial community. The increase was sanctioned despite the universal protests but I do not think the future of the premier industry is cheerful if it is to be burdened with such heavy loads as Excise duty and an increased silver duty. I hope greater attention will be paid to recommendations and suggestions of the commercial community specially in the matter of finance and taxation.

All have noted with regret that Japan has not acted upto the *entente cordiale* spirit with Great Britain in the matter of the proposed revision of Tariff. Increases contemplated average from 50 to 100 per cent. and are likely to cripple to a great extent the export trade of Great Britain. Our trade with Japan is not a large one but such as it is will

suffer in the export of manufactured articles. Raw cotton will be taken of course free of duty by them and the contention of your committee was that if Tariff reforming propensities of the Japanese Government were to be checked it could best be done by levying an export duty upon this article. Some discussion was carried on as to whether our committee were justified in calling the yarn of Japan as bounty-fed. Recently opinions expressed in some of the highest quarters confirm the opinion expressed by your Committee. Thus Reuter reported some time back that the *Times* considered it improbable that the Indian Government would entertain the proposal of the Indian merchants to subject the Indian raw cotton exported to Japan to export duty equivalent to bounties by which the Japanese yarn was under-selling the Indian yarn in the China market.

Your Committee noted with regret the attitude of the Bombay Chamber of Commerce regarding Indians trading under European names. As is well-known many of such firms bought the good will of European firms and it would be unjust to wrest from them their rights. Your Committee think that there ought to be no restriction placed in the matter of firms assuming and trading under any names they like. We are glad to learn from the reply given by the Government of India to the Madras Chamber of Commerce that they do not wish to take any action in the matter.

These were some of the important questions dealt with by the Committee during the year.

It may be hoped that your Chamber will prove a great and valuable factor in the development of commerce and industry and fulfill the place of an interpreter between the Government and commerce and industry. There is no less cause of hope in the general conditions of the country. We have had a good monsoon this year and if nothing untoward happens, all the crops will be bumper ones benefitting the agricul-

turists and the country at large. The general depression in trade has lasted already two years and it may be expected that having run its natural course and under the influence of the good monsoon there will be a revival and briskness in trade.

Our Chamber enters thus its fourth year with new hopes both as regards its future and the future of the commercial community with whose interests it has identified itself.

Mr. Purshottamdas Thakordas seconding the proposal for the adoption of the report observed that the Chamber ought to congratulate itself on getting the right of electing one representative to the Bombay Legislative Council and that it was their duty to prove themselves worthy of such a distinction. He went on to say that the Report of the Chamber bore witness to the fact that Indian merchants were directly and indirectly benefitted to a great extent through it as several proposals harmful to their interests were prevented from being put into practice.

After referring to the important question of Railway Risk Notes, Railway rates etc., he said that grain and cotton merchants experienced last year bitter experience of the effects of shortage in Railway waggons. It was essential for the removal of such grievances that a consistent agitation should be undertaken. Institutions like the Chamber could do such a work splendidly.

The proposal for the adoption of the Report was supported by Mr. Girdherdas Jethabhai who dilated on the high prices of cotton and cotton piece-goods.

After it was further supported by Mr. Mohamedbhoy Hajibhoy Lalji and others it was passed.

The Report was then adopted.

The Secretary then read a list of names of members of the new Committee for 1910-11, elected according to Rule No. 25.

The election was confirmed.

The following gentlemen were declared to have been elected members of the Committee for the ensuing year.—Hon. Mr. Munmohandas Ramji (Chairman); Mr Purshottamdas Thakordas (Vice-Chairman); Mr. D. E. Wachha; Hon. Sir Vithaldas D. Thackersey; Mr. Shapurji Bharucha; Mr. Lalloobhai Samaldas: Mr. Girdhardas Jethabhai; Hon. Mr. Ibrahim Rahimtula; Mr. Madhavji Thackersey; Mr. Jainarayan Daui; Mr. Lakhamsi Napoo; Mr. Bomanji Dinshaw Petit; Mr. Jethabhai Valji; Mr. Sorabji Warden; Messrs. Tata & Sons; Mr. Rutonsey Mulji; Mr. Valji Sunderji: Rao Bahadur Vasonji Khimji; Mr. Revashanker Jagjivan; Mr. Mulji Haridas; Mr. Gordhandas Khatao; Mr. Morarji Velji; Mr. Pragji Surji; Mr. Chaturbhuj Shivji; and Mr. Abdulkadar Nurbhoy.

Resolutions were than passed appointing Mr. A. C. Rice auditor for the ensuing year, and thanking the retiring Committee for the work they had done during the past year.

A vote of thanks to the Chairman terminated the proceedings.

Report of the Committee of the Indian Merchants' Chamber and Bureau for 1909-10 to be presented to the General Meeting to be held on the 15th October, 1910.

YOUR Committee have great pleasure in presenting their Third Annual Report to your Chamber. The work done during the course of the year was of a varied and useful character comprising several questions of material importance to the commercial community.

1. The year was marked by the deeply mournful death of His Majesty King Emperor Edward VII. Your Committee tendered their heartfelt condolence to the Royal Family through the Government of Bombay and expressed the great grief of the commercial community at the loss of a sovereign universally beloved and highly esteemed.

Death of His Majesty King Emperor Edward VII.

2. The very first matter which the Committee was to take in hand was the election of a representative to the Bombay Legislative Council in pursuance of the franchise granted conjointly to the Chamber and the Bombay Native Piecegoods Merchants' Association. The election was carried on satisfactorily and resulted in returning Mr. Munmohandas Ramji to the Council.

Election of a Representative to the Bombay Legislative Council.

3. Your Committee observed with great regret that the Bombay Chamber of Commerce led an agitation last year urging on the Government to take legislative action against Indians assuming and trading under European names. Your Committee took prompt action in the matter and forwarded a representation to the Government pointing out the inconveniences and injustices to which several Indian merchants would be subjected were the proposal of the Bombay Chamber to be adopted by the Government.

Indians assuming European names.

4. Next your Committee considered the communication from the Government inquiring which lines of Railway in the Presidency the Chamber would recommend for construction. The following three lines were recommended as principal in point of importance: (*a*) a line between Barsi and Parbhani; (*b*) a line between Abu Road and Udaipur; and (*c*) a line between Dhond and Baramati. In addition to these the Government was also recommended to cause the line

New Lines of Railway.

projected from Viramgaum viâ Radhanpur and Nagarparkar to Badin to pass through Cutch instead of being allowed to run by the fringe of the Rau of Cutch, and that the line projected from Songadh to Palitana be extended to Mahuva Bunder.

Currency Legislation.

5. As there was an agitation among the public to make certain class of Currency Notes cashable throughout the country so as to facilitate money transactions and lessen the difficulties of merchants, your Committee were consulted on this important question. They welcomed the suggestion of introducing ten and fifty rupee universal Notes recommending at the same time that Government would be pleased to see their way to making Notes of higher denomination universal also.

Registered Letters.

6. Acting on the economic axiom that the traffic of Departments like those of Railway, Telegraph and Post increases in proportion as charges are fixed at a low level, your Committee recommended to the Government the lowering of charges for the registration of letters in view specially of the fact that with the development of commerce and industry, people would be able to make a larger use of registered post. As matters stand at present we are confronted with the anomaly of the Postal Department charging less for five rupee money orders for which it undertakes more responsibility than for Registered Letters. It is a matter of regret that the Government did not see their way to comply with the request.

Non-Delivery of insufficiently addressed Telegrams.

7. Some interesting correspondence passed between the Karachi Chamber of Commerce and the Government regarding the non-delivery of insufficiently addressed telegrams to addressees who were well-known unless abbreviated addresses were registered. Your Committee represented to the Government that such a non-delivery was

a source of great inconvenience to the commercial community and suggested that in case the delivery of telegrams was impossible through addresses being insufficient they should be forwarded to addressees by unpaid post.

Indian Companies Act.

8. The Indian Companies' Act was passed in 1882, based generally on the model of the British Act. Since then while the British Act has been again and again revised in accordance with the needs of the times, the Indian Act has, with few exceptions, remained practically unaltered. Meanwhile a large number of joint-stock companies have been promoted specially during the last ten years. Many irregularities of a serious nature have been brought to light which, it was feared, had a tendency to retard healthy progress in commercial and industrial enterprise. The Government of India meanwhile has wisely thought of remodelling the Indian Companies' Act. Opinions of your Chamber and other bodies were asked for. Your Committee strongly recommended that the British Companies' Act as revised in 1908 should be introduced into this country as it was based upon the full experience of the working of companies in Great Britain. They have laid great stress on the advisability of better safeguarding the interests of depositors against mortgages of a clandestine character.

Mining Rules

9. The Government having contemplated certain changes in the existing rules and regulations with regard to mining, your Committee on being consulted have suggested several modifications which, if adopted, will tend to remove many difficulties in the way of prospective prospectors.

Annual Holidays.

10. The question of fixing the annual holidays comes up every year before the Government. It was felt that owing to the absence of an Indian merchant on the Holidays Committee appointed by the Government to fix holidays for the year, these

have sometimes been fixed on wrong days. On this matter being pointed to the Government they were pleased to inform your Committee that in future the Chamber would be asked to name a member to serve on the Holidays Committee.

Review of the Trade of India.

11. The Annual Review of the Trade of India mentions values of merchandise and treasure both in Sterling and Rupee Notation. The Director-General of Commercial Intelligence wanted to know if Indian merchants would approve of the idea of omitting Rupee figures from these statistics. Your Committee replied that it would be inadvisable to make any change.

The Indian Budget.

12. The Government of India having, in view of a deficit, enhanced taxation and increased the duty on silver equivalent to 15% ad valorem, your Committee sent a telegram protesting against further handicapping silver but unfortunately the Government adhered to their original decision.

Indian Patents and Designs Act.

13. Like the Indian Companies' Act the Indian Patent and Designs Act has also grown rather out of date considering the advance made in the industrial field since its introduction. The Government have therefore done well in undertaking its revision. Your Committee, who were consulted in the matter, made several suggessions which, it is to be hoped will be accepted by the Government.

Revised Japanese Tariff.

14. Government having consulted the opinion of the Chamber on some articles proposed in the Revised Japanese Tariff, which is highly protective, your Committee suggested that in view of the bounty-fed yarn from Japan competing with Indian Yarn in the common market of China an export duty on Indian cotton was advisable to be levied by the Government of India for the protection of Indian Yarn,

15. The Grain Merchants Association and the Hindustani Native Merchants Association having brought to the notice of the Committee several trade grievances of merchants in connection with their goods conveyed by Railways, your Committee made representations to the G. I. P. and B. B. & C. I. Railway authorities pointing out the hardships and inconvenience resulting from Railway Risk Note Form A. and to the former regarding wharfage rules. They also forwarded a representation to the Railway Board on Railway Risk Note Forms B. & H.

Journal of the Chamber.

16. Your Committee are glad to mention that the Journal of the Chamber is proving an unqualified success. Everywhere it is appreciated as fulfilling a longfelt want and as imparting information of an extremely useful and authentic character. In response to the public demand your Committee thought fit, even at some initial loss, to increase the size of the Journal from January of the current year. The number of pages was increased from 32 to 48 and the size was changed from Royal Octavo to Crown Quarto. Your Committee take this opportunity of thanking H. H. the Maharaja Gaekwar for continuing his patronage of the Journal. They also thank contributors to the Journal who have afforded a rich food to the Non-English reading public. The Committee hope to be able to increase still further the utility of the Journal in future.

Commercial Inquiries.

17. Another field in which the Chamber was greatly useful to the public was in giving information on commercial and industrial matters in response to 60 inquiries of a varied and useful character.

18. The increasing patronage given to the Chamber by the commercial community, will be seen from the fact that there was an increase of 18 members during the year under report. Six members resigned in the same period.

19. The Balance Sheet of the Chamber audited by the Hon. Auditor Mr. Rice is appended herewith.

Balance Sheet.

APPENDIX A.

List of Magazines and Papers subscribed to by the Chamber during the year of report:—

(1) The *Bombay Samachar.*
(2) The *Times of India.*
(3) The *Bombay Government Gazette*, Parts 1—1 A, 4 to 8 and 11.
(4) The *Gazette of India.*
(5) The *Indian Trade Journal.*
(6 The *Capital.*
(7) The *Gujarati.*
(8) The *Economist,*
(9) The *Statist.*
(10) The *Board of Trade Journal* (Free).
(11) The *London Chamber of Commerce Journal* (Free).
(12) The *Magazine of Commerce.*
(13) The *Bankers Magazine.*
(14) The *Manchester Chamber of Commerce Journal* (Free)
(15) The *Indian Textile Journal.*
(16) The *Prajabandhu* (Free).
(17) The *Gujarati Punch* (Free).
(18) The *Accountant.*
(19) The *Udbodhan*
(20) The *Vasant*
(21) The *Jnansudha*
(22) The *Buddhiprakash*

} Gujarati (Free).

(23) The *Byapari and Karigar* (Free)

(24) The *World's Work.*

(25) The *Investors' Review.*

APPENDIX B.

The following publications are kindly supplied by the Government free to the Chamber:—

1. *Accounts of the Trade and Navigation of British India* (monthly).
2. *Accounts of the Trade by land of British India with foreign countries* (monthly).
3. *Cotton Spinning and Weaving in the Indian Mills* (monthly.)
4. *Agricultural Statistics of India.*
5. *Area and yield of certain crops in India.*
6. *Note on the production of Tea in India.*
7. *Note on the production of Coffee in India.*
8. *Accounts of the trade by Rail and River in India.*
9. *Review of the Trade of India.*
10. *Statement of the Trade and Navigation of British India:—*

    (I.) *Foreign Trade—Vols.* I. & II.

    (II.) *Coasting Trade.*

11. *Statistics of British India* (all parts).
12. *Prices and wages in India.*

APPENDIX C.

Bombay, 9th May, 1910

The following is a copy of the telegram sent by the Chairman of the Indian Merchants' Chamber to the Private Secretary to His Excellency the Governor in Council.

" We beg most respectfully that his Excellency the Governor will be pleased to convey the following message of condolence to the Secretary of the State for India. The Indian Merchants' Chamber has heard with profound sorrow the mournful news of the death of the beloved Sovereign, His late Majesty King Edward VII and offer their expression of sincere condolence and heart-felt sympathy in their present bereavement to His Majesty King George V., Dowager Empress Alexandra and other members of the Royal Family."

No. 1674.

From

H. G. STOKES, Esq.,

Deputy Secretary to the Government of India.

To

THE SECRETARY,

Indian Merchants' Chamber,

Bombay.

Home Department.

(Public). *Simla the 23rd May 1910.*

Sir,—I am directed to express the sincere thanks of the Government of India for the expressions of sympathy and condolence which you have been good enough to convey on behalf of the Indian Merchants Chamber, Bombay, upon the

occasion of the lamented death of His late Majesty the King-Emperor, and to inform you that the message has been transmitted to the proper quarter.

I have the honour to be,
Sir.
Yours most obedient servant,
H. G. STOKES.
Deputy Secretary to the Govt. of India.

Government House,
Mahableshwar.
14th May, 1910.

DEAR SIR.—I am desired to acknowledge with thanks the receipt of your message of sympathy on the death of His Most Gracious Majesty King Edward VII, Emperor of India.

Yours truly,
C. C. WATSON.
Private Secretary to H. E. the Governor

To

The Honble. Mr. Manmohandas Ramji J. P.
Chairman, The Indian Merchants' Chamber,
Bombay.

APPENDIX D.

No. 715 of 1901.

Legal Department.

Bombay Castle, 25th October 1909.

From

L. C. CRUMP, Esq., I. C. S.,

Secretary to Government, Legal Department.

To

THE CHAIRMAN,

Indian Merchants' Chamber.

SIR,—As it is probable that the Indian Councils Act, 1909 (9 Edw. VII Cap. IV) will come into operation in India on or soon after 15th November 1909 and as under the Regulations to be framed it is probable that the Indian Merchants' Chamber will along with the Bombay Native Piece Goods Merchants' Association have the privilege of electing from one or other of these bodies a member to the Legislative Council to represent the Indian Commercial Community, I am to give for your information the following outline of the procedure which it is proposed to follow.

(1) Each of the bodies concerned will meet on November 30th under their ordinary rules of business to elect ten delegates.

(2) The Chairman will report the names of the delegates to the Secretary Legislative Council on or before December 3rd.

(3) The delegates will nominate candidates from either body in time for nomination papers to reach the Secretary Legislative Council on or before December 7th.

(4) Voting papers will be despatched to each delegate on December 8th,

(5) The votes will be verified by the Chairman and those received by December 13th will be counted.

The dates will be fixed by Government and those given above are fixed on the understanding that the Act is introduced on the 15th November. The dates will be altered correspondingly should the introduction of the Act be delayed. As it is essential that the elections should be carried through with the least possible delay I am to request that you will hold yourself in readiness to summon the necessary meeting as soon as a further communication is received.

2. As soon as the rules are settled the full text and all necessary forms of nomination papers and voting papers will be sent to you by theSecretary Legislative Council together with a statement of the dates as finally settled.

I have the honour to be,

Sir,

Your most obedient Servant,

G. D. FRENCH.

For Secretary to Government.

No. 771 of 1909.

Legal Department.

Bombay Castle, 15th November 1909.

From

L. C. CRUMP, Esq., I. C. S.,

Secretary to Government, Legal Department.

To

THE CHAIRMAN.

The Indian Merchants' Chamber.

SIR,—In continuation of my letter No. 715, dated the 25th October 1909, I am directed to inform you that the 15th November has been appointed for the introduction of the Indian Councils Act, 1909. A copy of the Gazette in which the Regulations, Schedules and other particulars are notified will be sent to you in due course. I am to invite your attention to Schedule VIII and to the notification of the Government of Bombay prescribing the dates for the elections and to request that you will, with the permission of the Indian Merchants' Chamber, ...take the necessary steps for the selection of ten delegates at a Special General Meeting. It is requested that the names and addresses of the delegates selected may be communicated to the Secretary to the Legislative Council at the Secretariat, Bombay, as soon as the selection is made.

I have the honour to be,

Sir,

Your most obedient Servant,

G. D. FRENCH.

for Secretary to Government.

No. 823.

Dated Bombay, the 30th November 1909.

From

L. C. CRUMP, Esq., I. C. S.,
Secretary to the Government of Bombay,
Legal Department.

To

THE CHAIRMAN,
Indian Merchants' Chamber and Bureau,
77, Apollo Street,
Bombay.

SIR,—With reference to your letter dated the 27th November 1909, mentioning the names of delegates for the Legislative Council Election, I am to invite your attention to Government Notification No. 769 dated the 15th November 1909, and to ask that you will also publish the names and addresses of the delegates in the manner there specified, unless this has already been done.

I have the honour to be,

Sir,

Your most obedient Servant,

G. D. FRENCH.

For Secretary to Government.

Bombay, 1st December 1910.

From

THE SECRETARY,
The Indian Merchants' Chamber and Bureau,
Bombay.

To

L. C. CRUMP, Esq., I. C. S.,
Secretary to Government of Bombay,
Legislative Department,
Bombay.

SIR,—I am asked to acknowledge the receipt of your favour of the 30th November 1909, and to write in reply that names of delegates for the Legislative Council Election have been duly forwarded to all the local papers and have been published.

I beg to remain,

Sir,

Your most obedient servant,

JAYASUKHLAL K. MEHTA.

Secretary.

Bombay, 29th November 1910.

From

THE CHAIRMAN,
The Indian Merchants' Chamber and Bureau,
Bombay.

To

L. C. CRUMP, Esq., I. C. S.,
Secretary to Government of Bombay,
Legislative Department,
Bombay.

SIR,—I have the honour in accordance with Schedule 8 of the Rules and Regulations for election of additional members to the Bombay Legislative Council of the Indian Companies Act of 1909, to send the names and addresses of the following ten gentlemen who are elected as delegates from this Chamber at a special meeting held on Friday the 26th instant.

1 MANMOHANDAS RAMJI, ESQ., J. P.,
Ridge Road,
Bombay.

2 PURSHOTUMDAS THAKOREDAS, ESQ.,
Malabar Castle,
Ridge Road,
Bombay.

3 DINSHAW EDULJI WATCHA, ESQ.,
C/o Messrs. Morarji Gokuldas & Co.,
Tamarind Lane, Fort,
Bombay.

4 JETHABHAI VALJI, ESQ.,
Luxmidas Market,
Bombay.

5 MADHAVJI THACKERSEY, Esq.,
Mulji Jetha Market,
Bombay No. 3.

6 RAO BAHADUR VUSSONJI KHIMJI, Esq., J.P.,
Bruce Street, Fort, Bombay.

7 IBRAHIM RAHIMTOOLA, Esq., J. P.,
112, Darga Mohoila,
Bombay No. 8.

8 KURSONDAS MULJI JETHA, Esq.,
Oriental Buildings, Hornby Road,
Bombay.

9 JAINARAIN HINDUMAL DANI, Esq.,
Raja Bahadur Shivlal Motilal's Mansions,
Hummum Street,
Fort, Bombay.

10 RUTTONSEE MULJI, Esq.,
Elphinstone Circle, Bombay.

I beg to remain,
Sir,
Your most obedient servant,
(Sd.) MANMOHANDAS RAMJI,
Chairman.

APPENDIX E.

Bombay, 8th October, 1909.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

THE HOME SECRETARY,

Government of India,

Calcutta.

SIR,—The attention of my Committee is drawn to a representation forwarded by the Bombay Chamber of Commerce to the Government on the subject of 'Indians assuming and trading under European names.' As my Committee apprehend that the somewhat one-sided views conveyed by the representation are prejudicial to the interests of Indian merchants, they feel it their duty to correct the fallacy of those views, and to urge upon the Government the necessity of seriously considering the question before any steps are taken in the direction.

So far as the representation of the Chamber goes, it seems that it is not in favour of an Indian firm trading under the name and style which is European. This objection of the Chamber is, in the opinion of my Committee, altogether untenable. There can be no deception as the Chamber assumes. Each and every one who could transact business with such a firm is *a priori* supposed to know who are the proprietors or partners thereof and by no stretch of imagination it could be contended that an Indian who for purposes of his business styles his firm by a European name is practi-

sing any kind of fraud on the public. No cases of such imagined deception have, so far as the knowledge of my Committee goes, been known. It is idle therefore on the part of the Chamber to raise the objection that this practice is in any way a cheating.

Apart from the untenable character of the objection as first stated my Committee beg to point out that the kind of restraint which the Bombay Chamber recommend is entirely opposed to the principles of freedom of trade. They believe that they are right in saying that an individual or a firm is at liberty in all the civilised countries to assume any name and style for purposes of trade unless there is a statutory prohibition. Even in the West it is well known that people are fond of adopting fanciful names for business purposes. In this country it is an immemorial custom to conduct business under names of gods or patrons or the like names apart from their proper individual names. Moreover it is also a fact that many times European merchants sell their goodwill to Indians who pay a handsome price for it. This goodwill includes the name of the firm whose property is bought. Are these persons to be prevented from using any such name? It would be surely preposterous and in violation of all freedom of trade to prevent persons from assuming any name and style for purposes of legitimate business.

The question of the Registration of Partnerships was happily laid to rest some time back by the Government conceding to the wishes of the Indian commercial community. My Committee view with regret that the Bombay Chamber should now attempt to reopen that question by a flank movement. For they urge in their representation as follows :—
'European names and titles could no doubt be dealt with in a Registration of Partnership Act, which Chambers of Commerce in this country have for many years been anxious that the Government of India should bring forward and pass into

law.' My Committee may be allowed to point out to Government that the opinion of the Indian commercial community is quite the opposite of that held by the European Chambers of Commerce, and they venture to hope that the Government will firmly adhere to their decision not to launch on the partnership of registration legislation which during the last thirty years has been over and over threshed out.

No less strongly do my Committee protest against the suggestion of the Bombay Chamber of Commerce that 'if a Bill of this nature is not likely to be taken in hand at present, Police Commissioners in large towns might be given special powers to deal with this question, and regulations might also be made which would enable a High Court to exercise some independent control.' Speaking on behalf of the Indian commercial community, my Committee are emphatically of opinion that it would not only be highly vexatious but insulting were the suggestion put into practice and fraught with the gravest mischief if not also attended by corruption.

My Committee therefore hope that for the reasons above-stated no action will be taken on the partial and one-sided agitation of European merchants.

I beg to remain,

Sir,

Your most obedient servant,

MUNMOHANDAS RAMJI,

Chairman.

PURSHOTAMDAS THAKOREDAS,

Vice-Chairman.

JAYASUKHLAL K. MEHTA,

Secretary.

No. 8419—94.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

(COMMERCE AND TRADE).

FROM

M. M. S. GUBBAY, ESQ., I. C. S.,

Under-Secretary to the Government of India.

To

The Chairman,

The Indian Merchants' Chamber and Bureau,

Bombay.

Calcutta, the 13th November 1909

SIR,—I am directed to acknowledge the receipt of your letter, dated the 8th October 1909, to the address of the Secretary to the Government of India in the Home Department regarding the representation of the Bombay Chamber of Commerce on the subject of the assumption by natives of European names and titles for trading purposes.

2. In reply, I am to say that your letter will be submitted to the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

M. M. S. GUBBAY,

Under-Secretary to the Government of India.

APPENDIX F.

No. 1140—Ry. of 1909.

Public Works Department.

Bombay Castle, 25th August 1909.

From

The Hon. Mr. W. L. CAMERON, C. S. I.,

Secretary to the Government of Bombay,

To

The PRESIDENT,

Indian Merchants' Chamber,

Railways. Bombay.

SIR,—I am directed to request that you will be so good as to inform Government, at an early date, whether there are any lines of railway in this Presidency which your Chamber wish them to recommend for inclusion in the Railway Board's programme of railway construction.

I have the honour to be,

Sir,

Your most obedient servant,

Under-Secretary to Government.

Documents Accompanying:—

Nil.

From

The CHAIRMAN,

The Indian Merchants' Chamber and Bureau.

To

The Hon'ble Mr. W. L. CAMERON,

Secretary to the Government of Bombay.

SIR,—I have the honour by direction of my Committee to reply to your favour of the 25th August, bearing No. 1140—Ry. of 1909. My Committee beg to recommend the following lines of Railway for inclusion in the Railway Board's programme of Railway construction :—

1. A line between Barsi and Latur is already proposed by the Railway Board, as appears from the map giving the lines projected upto 31-12-1908. The whole district is an important cotton district and it is most desirable therefore that the line ought not to stop at Latur but be extended to Bid and thence to Parbhani, thus opening this district to Railway communication. At present cotton has to be carried in carts from the cotton district to railway stations at a distance of about 50 miles. This is naturally very expensive and inconvenient. The trouble will be removed by a line from Barsi to Latur, thence to Bid and thence to Parbhani, which will practically cross the whole cotton district. The length of the line from Latur to Parbhani will be about 80 miles.

2. Line between Abu Road to Udaipur. This will be essentially a pilgrimage line. Hundreds of thousands of pilgrims to Nathadwara considered as a place of pilgrimage by the Hindus have to take a circuitous route and to suffer inconveniences of travelling in carts through there being no direct Railway line to the place. The line proposed by the

Committee of this Chamber will remove this public inconvenience by connecting Abu Road with Udaipur from which there is a line to Mauli, from which the Railway Board has proposed to have a line to Nathdwara. The Railway Board need not be reminded of the fact that pilgrim lines prove often very remunerative.

3. Line from Dhond to Baramati. The latter is an important agricultural town which has developed to a large extent since the construction of the Nira Canal and being in the heart of a sugarcane district is a large business and trade centre for import of manures and export of gul. My Committee enclose herewith note on this line by Mr. K. R. Godbole which gives all the data of Mileage, expense and estimated profits. In addition to these three lines which my Committee hope will be included in the programme of the Railway Board, they beg to bring to the notice of the Government the desirability of the following lines passing through Native States.

1. My Committee learn from the Report of the Administration of Railways for 1909 that a line has been projected from Viramgaum via Radhanpur and Nagarparkar to Badin. My Committee understand from many leading merchants of Cutch that it would be far better for the public and commerce were this line to pass through Cutch instead of running by the fringe of the Ran of Cutch. In fact this was the original project of the Government but it had to be dropped through the disinclination of His Highness the Rao of Cutch. My Committee respectfully urge that further efforts should be made to persuade His Highness to change his opinion and to realise the original project in practice.

2. A line has been projected from Songudh to Palitana in Kathiawar. My Committee suggest that this line ought to be extended to Mahuwa Bunder. The whole district is an

agricultural one and the line will much facilitate the business and convenience of the public. The length of the line from Palitana will be about 30 miles.

I beg to remain,

Sir,

Your obedient servant

MUNMOHANDAS RAMJI.

Chairman.

APPENDIX G.

No. 3506 of 1909.

Financial Department.

Bombay Castle, 24th September 1909.

From

H. B. CLAYTON, Esq. I. C. S.,

Under Secretary to the Government of Bombay.

To

THE CHAIRMAN,

Indian Merchants' Chamber and Bureau.

Sir,— I am directed to forward herewith a copy of a Bill to consolidate and amend the law relating to the Government Paper Currency, with Statement of Objects and Reasons, and to request that you will be so good as to favour Government with the opinion of the Chamber on the provisions of the Bill not later than 1st November 1909.

I have the honour to be,

Sir,

Your most obedient servant,

H. B. CLAYTON,

Under Secretary to Government.

THE INDIAN PAPER CURRENCY BILL.

CONTENTS.

Preliminary.

CLAUSES

1. Short title and extent.
2. Definition.

The Department of Paper Currency.

3. Department of Paper Currency for issue of currency notes.
4. Head Commissioner of Paper Currency
5. Power to establish circles of issue, offices of issue and currency agencies.
6. Commissioners of Paper Currency and Currency Agents.
7. Subordination of officers.
8. Appointment of officers.

Supply and Issue of Currency Notes.

9. Head Commissioner and Commissioners to provide and distribute currency notes.
10. Signature to currency notes.
11. Issue of currency notes for silver or gold coin by officers in charge of circles.
12. Issue of currency notes for silver or gold coin by Currency Agents.
13. Issue to Government Treasuries of currency notes for gold coin not legal tender or gold bullion.
14. Issue of currency notes for certain gold coin or gold or silver bullion or securities held by Secretary of State.

Currency Notes where legal tender and where payable.

15. Currency notes where legal tender.

16. Currency notes where payable.

17. Currency notes issued from currency where deemed to be issued.

18. Provision in case of closure of office.

Reserve.

19. Reserve coin, bullion and securities to be equal to amount of currency notes in circulation.

20. Power to dispose of coin and bullion in reserve.

21. Coin and bullion to remain part of reserve during transit between England and India.

22. Nature and value of securities which may form reserve.

23. Trustees of Indian securities purchased under Act.

24. Power to sell and replace Indian securities.

25. Account of interest on securities.

Private Bills payable to Bearer on Demand.

26. Prohibition of issue of private bills or notes payable to bearer on demand.

27. Penalty for issuing such bills or notes and institution of prosecutions.

Supplementary Provisions.

28. Abstracts of accounts.

29. Power to make rules.

30. Repeals.

THE SCHEDULE.—ENACTMENTS REPEALED.

A

BILL

TO

Consolidate and amend the law relating to the Government Paper Currency.

WHEREAS it is expedient to consolidate and amend the law relating to the Government Paper Currency; It is hereby enacted as follows:—

Preliminary.

[Act III, 1905, s. 1.] Short title and extent. 1. (*1*) This Act may be called the Indian Paper Currency Act, 19; and

[New.] (*2*) It extends to the whole of British India, inclusive of British Baluchistan, the Santhal Parganas and the Pargana of Spiti.

Definition. 2. In this Act, "universal currency note" means—

(*a*) a note of the denominational value of five rupees, ten rupees or fifty rupees, or

(*b*) a note of any other denominational value which the Governor-General in Council may, by notification in the Gazette of India, specify in this behalf.

The Department of Paper Currency.

[Act III, 1905, s. 2.]

3. There shall continue to be a Department of the public service, to be called the Department of Paper Currency, whose function shall be the issue of promissory notes of the Government of India, to be called currency notes, payable to bearer on demand, and of such denominational value, not being less than five rupees, as the Governor-General in Council may direct.

Department of Paper Currency for issue of currency notes.

[*ib.*, s. 3.]

4. At the head of the Department there shall be an officer to be called the Head Commissioner of Paper Currency.

Head Commissioner of Paper Currency

[*ib.*, s. 4.]

5. The Governor-General in Council may, by notification in the Gazette of India,—

Power to establish circles of issue, offices of issue and currency agencies.

(*a*) establish districts, to be called circles of issue, seven of which circles shall include the towns of Calcutta, Madras, Bombay, Rangoon, Lahore, Cawnpore and Karachi, respectively;

(*b*) appoint in each circle some one town to be the place of issue of currency notes, as hereinafter provided;

(*c*) establish in each such town an office or offices of issue; and

The Indian Paper Currency Bill.

(The Department of Paper Currency. Supply and Issue of Currency Notes.)

(*d*) establish in any town situate in any circle an office, to be called a currency agency.

Commissioners of Paper Currency and Currency Agents.

6. (*1*) The Head Commissioner of Paper Currency shall be the officer in charge of the circle of issue which includes the Town of Calcutta. [Act III, 1905, s. 5.]

(*2*) For each other circle of issue there shall be an officer in charge to be called the Commissioner of Paper Currency, and for each Currency Agency an officer to be called the Currency Agent.

Subordination of Officers.

7. For the purposes of this Act,— [*ib.*, s. 6].

(*a*) Commissioners of Paper Currency shall be subordinate to the Head Commissioner of Paper Currency; and

(*b*) the Currency Agent at any town shall be subordinate to the Head Commissioner or Commissioner, as the case may be, of Paper Currency for the circle of issue in which that town is situate.

Appointment of Officers.

8. All officers under this Act shall be appointed by the Governor-General in Council. [*ib.*, s. 7.]

Supply and Issue of Currency Notes.

9. (*1*) The Head Commissioner shall provide currency notes of the denominational values prescribed under this Act, and shall supply the Commissioners and the Currency Agents subordinate to him with such notes as they need for the purposes of this Act. [*ib.*, s. 8.]

Head Commissioner and Commissioners to provide and distribute currency notes.

(*2*) The Commissioners shall supply the Currency Agents subordinate to them, respectively, with such notes as those Agents need for the purposes of this Act.

(*3*) Every such note, other than a universal currency note, shall bear upon it the name of the town from which it is issued.

10. The name of the Head Commissioner, or one of the Commissioners, or of some other person authorized by the Head Commissioner, or by one of the Commissioners, to sign currency notes, shall be subscribed to every such note, and may be impressed thereon by machinery, and when so impressed shall be deemed to be a valid signature. [*ib.*, s. 9.]

Signatures to currency notes.

[*ib.*, s. 10.]

11. The officers in charge of circles of issue shall, in their respective circles, on the demand of any person, issue, from the office or offices of issue established in their respective circles, currency notes of the denominational values prescribed under this Act, in exchange for the amount thereof—

Issue of currency notes for silver or gold coin by officers in charge of circles.

The Indian Paper Currency Bill.

(*Supply and Issue of Currency Notes. Currency Notes where legal tender and where payable.*)

(*a*) in rupees or half rupees or in gold coin which is legal tender under the Indian Coinage Act, 1906, or III of 1906.

(*b*) in rupees made and declared to be a legal tender under the provisions of the Native Coinage Act, 1876. IX of 1879.

[Act III, 1905, s. 11.]

12. Any Currency Agent to whom currency notes have been supplied under section 9 may, if he thinks fit, on the demand of any person, issue from his agency any such notes in exchange for the amount thereof in any coin specified in section 11.

Issue of currency notes for silver or gold coin by currency Agents.

[*ib.*, s. 12.] 13. The officers in charge of circles of issue shall, on the requisition of the Comptroller General, issue to any Government Treasury currency notes in exchange for gold coin which is not legal tender under the Indian Coinage Act, 1906, or for gold bullion at the rate of one rupee for 7·53344 grains troy of fine gold.

Issue to Government Treasuries of currency notes for gold coin not legal tender or gold bullion.

III of 1906.

[*ib.*, s. 13.] 14. If the Secretary of State for India in Council consents to hold in gold coin or bullion, or in silver bullion or in securities of the kinds mentioned in section 22, the equivalent in value to notes issued in India as a reserve to secure the payment of such notes, the Governor General in Council may from time to time direct that currency notes shall be issued to an amount equal to the value of the coin, bullion and securities so held by the Secretary of State for India in Council.

Issue of currency notes for certain gold coin or gold or silver bullion or securities held by Secretary of State.

Currency Notes where legal tender and where payable.

[*ib.*, s. 14.] 15. A universal currency note shall be a legal tender at any place in British India and any other currency note shall be a legal tender at any place within the circle from which the note was issued

Currency notes where legal tender.

for the amount expressed in the note in payment or on account of—

(*a*) any revenue or other claim, to the amount of five rupees or upwards, due to the Government of India, and

(*b*) any sum of five rupees or upwards, due by the Government of India, or by any body corporate or person in British India:

Provided that no currency note shall be deemed to be a legal tender by the Government of India at any office of issue.

Currency notes where payable.

16. A currency note shall be payable at the following offices of issue, namely:

(*a*) a universal currency note at any office of issue,

(*b*) a currency note other than a universal currency note at any office of issue in the town from which it was issued; Provided that any such note issued before the commencement of this Act shall also be payable,

[*Cf.* Act III, 1905, s. 15.]

(i) in the case of a note issued from the office at Cawnpore or Lahore, at any office of issue in Calcutta, and

(ii) in the case of a note issued from the office at Karachi, at any office of issue in Bombay.

Currency notes issued from currency agencies where deemed to be issued.

17. For the purposes of sections 15 and 16 currency notes issued from any currency agency shall be deemed to have been issued from the town appointed under section 5 to be the place of issue in the circle of issue in which that agency is established. [Act III, 1905, s. 16.]

Provision in case of closure of office.

18. Where an office of issue is closed the Governor General in Council shall, by notification in the Gazette of India, direct that, with effect from the date of the closing of such office, all currency notes issued therefrom shall, for the purposes of sections 15 and 16 be deemed to have been issued from such other office as may be specified in such notification. [New.]

Reserve.

Reserve coin, bullion and securities to be equal to amount of currency notes in circulation.

19. The whole amount of currency notes at any time in circulation shall not exceed the total amount represented by the sovereigns, half sovereigns, rupees, half rupees and gold bullion, and the sum expended in the purchase of the silver bullion and securities, which are for the time being held by the [Act III, 1905, s. 17.]

Secretary of State for India in Council and by the Governor General in Council as a reserve to provide for the satisfaction and discharge of the said notes, and the said notes shall be deemed to have been issued on the credit of the Government of India as well as on the security of the said coin, bullion and securities:

Provided that for the purposes of this section, currency notes which have not been presented for payment, in the case of notes of any denominational value not exceeding one hundred rupees within forty years, and in the case of notes of any denominational value exceeding one hundred rupees within one hundred years, from the first day of April the date following of their issue, shall be deemed not to be in circulation:

Provided further that all notes which are declared under the first proviso to this section not to be in circulation shall be deemed to have been issued on the credit of the Government of India and shall, if subsequently presented for payment, be paid from the revenues of the Government of India.

[Act III, 1905, s. 18.]

20. Subject to the provisions of section 19, the Governor General in Council may at any time, if he thinks it expedient, convert any of the coin or bullion for the time being held by him as a part of the reserve into

Power to dispose of coin and bullion in reserve.

coin of any of the kinds mentioned in section 11 or into gold or silver bullion.

[*ib.*, s. 19.] 21. If any coin or bullion held by the Secretary of State for India in Council or by the Governor General in Council as part of the reserve is transmitted by the Secretary of State for India in Council to the Governor General in Council or by the Governor General in Council to the Secretary of State for India in Council, it shall be deemed during the period of transmission to remain part of the reserve referred to in section 19.

Coin and bullion to remain part of reserve during transit between England and India.

[*ib.*, s. 20.] 22. The securities mentioned in section 19 shall be securities of the United Kingdom of Great Britain and Ireland or of the Government of India, or securities issued by the Secretary of State for India in Council under the authority of Act of Parliament and charged on the revenues of India, and the value of them at the price at which they are purchased shall not exceed one hundred and twenty millions of rupees:

Nature and value of securities which may form reserve.

Provided that the value at such price as aforesaid of such of the said securities as are not securities of the Government of India shall at no time exceed twenty millions of rupees.

[*ib.*, s. 21.] 23. The securities purchased by the Governor General in Council shall be securities of the Government of India, and shall be held by the Head Commissioner and the Master of the Mint at Calcutta, or of such other Mint as the Governor General in Council may direct in this behalf, in trust for the Secretary of State for India in Council.

Trustees of Indian securities purchased under Act.

[*ib.*, s. 22.] 24. The Head Commissioner may, at any time, when ordered so to do by the Governor General in Council, sell and dispose of any of the securities held under section 23.

Power to sell and replace Indian securities.

(2) For the purpose of effecting such sales, the Master of the Mint at Calcutta or of such other Mint as aforesaid shall, on a request in writing from the Head Commissioner, at all times sign and endorse the securities, and the Head Commissioner, if so directed by the Governor General in Council, may purchase securities of the Government of India to replace such sales.

[*ib.*, s. 23.] 25. An account showing the amount of the interest accruing on the securities held as part of the reserve under this Act, and the expenses and charges incidental thereto, shall be rendered annually by the Head Com-

Account of Interest on securities.

missioner to the Governor General in Council, and published annually in the Gazette of India.

Private Bills payable to Bearer on Demand

[Act III, 1905, s. 24.]

26. No person in British India shall draw, accept, make or issue any bill of exchange, hundi, promissory note or engagement for the payment of money payable to bearer on demand, or borrow, owe or take up any sum or sums of money on the bills, hundis or notes payable to bearer on demand, of any such person :

Prohibition of issue of private bills or notes payable to bearer on demand.

Provided that cheques or drafts, payable to bearer on demand or otherwise, may be drawn on bankers, shroffs or agents by their customers or constituents, in respect of deposits of money in the hands of those bankers, shroffs or agents and held by them at the credit and disposal of the persons drawing such cheques or drafts.

[*ib.*, s. 25.]

27. (*1*) Any person contravening the provisions of section 26 shall, on conviction by a Presidency Magistrate or a Magistrate of the first clsss, be punishable with a fine equal to the amount of the bill, hundi, note or engagement in respect whereof the offence is committed.

Penalty for issuing such bills or notes and institution of prosecutions

(*2*) Every prosecution under this section shall be instituted by the officer in charge of the circle of issue in which the bill, hundi, note or engagement is drawn, accepted, made or issued.

Supplementary Provisions.

28. An abstract of the accounts of the Department of Paper Currency, showing— [*ib.*, s. 26.]

Abstracts of accounts.

(*a*) the whole amount of currency notes in circulation,

(*b*) the amount of coin and bullion reserved, distinguishing gold from silver, and showing separately the amount of coin or bullion held by the Secretary of State for India in Council, or in transit from or to India, or in the custody of the Mint Master during coinage, and

(*c*) the nominal value of, and the price paid for, the securities held as part of the reserve, showing separately those held by the Secretary of State for India in Council and those held in India under section 23,

shall be made up four times in each month by the Head Commissioner, and published, as soon as may be, in the Gazette of India.

[Act III, 1905, s. 27.]

The Indian Paper Currency Bill.

(*Supplementary Provisions. The Schedule.*)

Power to make rules.

29. (*1*) The Governor General in Council may make rules to carry out the purposes and objects of this Act.

(*2*) In particular and without prejudice to the generality of the foregoing power, such rules may—

(*a*) fix the denominational values (not being less than five rupees) for which currency notes shall be issued ;

(*b*) provide for the alteration of the limits of any of the circles of issue ;

(*c*) declare the places at which currency notes shall be issued ; and

(*d*) fix and notify the conditions upon which lost or mutilated currency notes may be paid at offices of issue.

(*3*) Every such rule shall be published in the Gazette of India, and on such publication shall have effect as if enacted in this Act.

[*ib.*, ss. 28 and 29.]

Repeals.

30. The enactments mentioned in the Schedule are hereby repealed to the extent specified in the last column thereof:

Provided that all securities purchased and notes issued under the Indian Paper Currency Act, 1905, or any Act thereby repealed shall, if undisposed of or in circulation at the commencement of this Act, be deemed to have been respectively purchased and issued under this Act: III of 1905

Provided also that all currency notes, which under section 29 of the Indian Paper Currency Act, 1905, are to be deemed to have been issued from the office of issue in the town of Cawnpore, shall still be deemed to have been issued from that office.

THE SCHEDULE.

ENACTMENTS REPEALED.

(See section 30.)

Year.	No.	Short title.	Extent of repeal.
1905	I	The Indian Paper Currency Act, 1905.	So much as has not been repealed.
1909	II	The Indian Paper Currency (Amendment) Act, 1909.	The whole.

STATEMENT OF OBJECTS AND REASONS.

THE object of this Bill is the amendment of the Indian Paper Currency Act 1905, in two directions as described below :—

firstly,

(*a*) by declaring currency notes of the denominational values of rupees ten and fifty to be "universal" (as currency notes of the value of five rupees already are), that is to say, to be legal tender in any part of British India and payable at any currency office; and

(*b*) by taking general power to make a similar declaration regarding currency notes of other denominations, as may from time to time be found expedient

Secondly,

(*a*) by abolishing the existing sub-circle arrangements, under which currency notes other than universal notes are at present payable not only at the office of issue, but also at the Presidency-town in which the office is situate ; and

(*b*) by establishing independent circles of issue at Cawnpore, Lahore and Karachi and abolishing the Calicut sub-circle office.

As the attainment of this object involves considerable amendment of the existing Act, it has been thought advisable to take the opportunity of consolidating the law on the subject. The present Bill is, therefore, introduced as a consolidating Bill repealing and replacing Act III of 1905.

The annexed notes on the various clauses of the Bill explain the amendments proposed, other than petty verbal changes such as the reference to the present Indian Coinage Act instead of to that of 1870 in clauses 11 and 13.

GUY FLEETWOOD WILSON.

The 26th August 1909.

Notes on Clauses.

Clause 2 contains a definition of the term "universal currency note."

Sub-clause (*a*) provides for the immediate universalisation of the ten and fifty rupee notes, and sub-clause (*b*) is designed to obviate further amendment of the law if experience should show that other notes can beneficially be universalised.

Clause 4.—The latter part of section 3 of the existing Act is rendered unnecessary by the changes proposed in clauses 5 and 6, and has accordingly been omitted.

Clause 5.—Section 4, clause (*a*), of the existing Act has been altered to provide for the new circles of issue ; and the retention of clause (*e*) is rendered unnecessary by the abolition of sub-circles.

Clause 6.—In view of the abolition of sub-circles, it is considered unnecessary to retain the distinction between Deputy Commissioners and Commissioners of Paper Currency. Henceforward all will be Commissioners.

Clauses 7, 9 and 10.—The changes made in sections 6, 8 and 9 of the Act are rendered necessary by the proposed abolition of the cost of Deputy Commissioners of Paper Currency.

Clauses 15 and 16.—The sections concerned with "legal tender" and the encashment of notes have been modified to provide for the universal notes.

Provisos (i) and (ii) in clause 16 continue the privilege of double encashment (at the local office and at the head office of the circle) to sub-circle notes of what will hereafter be separate circles issued prior to the passing of the Bill.

Clause 18.—This is a new clause, designed to provide, particularly, for the future treatment of notes issued from Calicut and now current, and, generally, for any future case in which it may be found necessary to close an office of issue.

Clause 29 (d).—Power has been taken to make rules, such as are already in force under executive instructions, for dealing with the encashment of lost or mutilated notes.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay,

To

H. B. CLAYTON, ESQ., I.C.S.,

Under Secretary to the Government of Bombay,

Bombay.

SIR,—I have the honour on behalf of my committee to acknowledge the receipt of your favour of the 24th September 1909, bearing the number 3506 of 1909.

My committee entirely approve of the change in the Paper Currency Bill introducing ten and fifty Rupee universal notes. The change will prove greatly convenient to the public and my Committee are led to hope from Sec. 2(b) of the proposed Bill that the Government will be pleased in future to make notes of higher denomination universal.

While my committee welcome the introduction of ten and fifty Rupee universal notes, they view with regret that it is contemplated to withdraw the special concessions by which notes of other circles are received in payment of Government dues and at Railways and Post Offices. The effect of this will be to inflict needless trouble and inconvenience upon the public. Though the inconvenience will be, in the words of the Hon'ble Sir Guy Fleetwood Wilson, a little obviated by the introduction of ten and fifty Rupee universal notes, my Committee believe that it would be on the whole much better for the ryot and the commercial public if the old arrangement is allowed to continue.e My Committe therefore beg to make such a change in Sec. 15 of the new Bill as would allow of revenue and other Government dues being paid in notes of any circles of issue.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MANMOHANDAS RAMJI,

Chairman.

(Sd.) PURSHOTUMDAS THAKORDAS,

Vice-Chairman.

JAVASUKHLAL K. MEHTA,

Secretary.

APPENDIX H.

77-79, APOLLO STREET,
Bombay, 2nd March, 1910.

From

THE CHAIRMAN,
The Indian Merchants' Chamber and Bureau,
BOMBAY,

To

THE SECRETARY,
Commerce and Industry Department,
Government of India,
CALCUTTA.

SIR,—I have the honour to respectfully submit to the Government for their consideration the extreme advisability of cheapening the fee now leviable on registered letters, to suit the convenience of the public in general and the mercantile classes in particular.

The registration charge is at present two annas, but if a receipt by the addressee is desired the charge is three annas. This is obviously a heavier fee compared with that for five-rupee money orders, which is only one anna, notwithstanding the fact that greater work and responsibility devolve on the Post Office in transmission. My Committee, therefore, think that a similar light charge for registration will not only be extremely popular, but stimulate the practice of sending even a considerably larger number of letters than at present by registered post. It appears from official statistics that the number of registered letters that passed through the Post Office in 1890 was 5,449,072, 9,383,891 in 1899-1900, and 18,708, 647 in 1908-09. From this it will be readily admitted that further cheapening of the registration fee is certain

to stimulate the growth of such correspondence with essential gain both to the public and to the State, having specially regard to the fact that every reduction in the rates in the Postal, Telegraph and Railway Departments has been accompanied in the long run by good results. Moreover, looking at the steady expansion of trade and commerce and of joint-stock companies, and the greater progress of education, such postal conveniences are certain to be appreciated in a larger degree than at present. For the reasons set forth above, my Committee respectfully venture to suggest that the registration fee mightbe fairly reduced to one anna or one and a half-anna if a receipt is called for. Such a suggested reduction, my Committee are confident, will be a great benefit both to people and the Government.

Trusting that this representation will have the careful and favourable consideration of the Government,

I beg to remain,

Sir,

Your most obedient Servant,

MANMOHANDAS RAMJI,

Chairman

PURSHOTAMDAS THAKORDAS,

Vice-Chairman.

JAVASUKHLAL K. MEHTA,

Secretary.

No. 1886-66.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Calcutta, the 9th March 1910.

(Post Office).

From

A. H. LEY, ESQ., I.C.S.,

Under Secretary to the Government of India.

To

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 2nd March 1910, regarding the advisability of reducing the fee charged at present on registered letters.

2. I am to say that your letter will be submitted for the consideration of the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

A. H. LEY,

Under Secy. to the Govt. of India.

No. 2779-66.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Simla, the 14th April 1910,

(Post Office).

From

A. H. LEY, ESQ., I C.S.,

Under Secretary to the Government of India.

To

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

SIR,—In continuation of my letter No. 1886-66, dated the 9th March 1910, I am directed to say that, after careful consideration, the Government of India regret that they are unable to accept your suggestions for reducing the fee charged at present on registered letters.

I have the honour to be,

Sir,

Your most obedient servant,

A. H. LEY,

Under Secy. to the Govt. of India.

No. 259-1910.

PUNJAB CHAMBER OF COMMERCE.

Delhi, 20th April, 1910.

THE CHAIRMAN,

'The Indian Merchants' Chamber and Bureau,'

BOMBAY.

DEAR SIR,—I am in receipt of your favour of the 2nd March 1910 enclosing copy of a letter to the Secretary, Commerce and Industry Department, Government of India, regarding the reduction of the Registration Fee for which I am much obliged.

I am directed to say that the Committee of this Chamber are in full sympathy with your views and I shall be much obliged if you will kindly let me know the result of your representation.

Yours faithfully,

A. M. SAINET,

Secretary.

NORTH BEACH.

Madras, 22nd June 1910.

D. 56.

From

THE HONORARY SECRETARIES,

The Southern India Chamber of Commerce,

MADRAS,

To

THE SECRETARY,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

SIR,—We have the honor to acknowledge receipt of your letter dated 13th May 1910 and to state that our Chamber has received the following reply from the Department of Commerce and Industry.

"In continuation of my letter No: 3196-66 dated 28th April 1910, I am directed to say that, after careful consideration, the Government of India regret that they are unable to accept your suggestions for reducing the fee charged at present on registered articles and for dispensing with Registration when an article is insured."

We have the honour to remain,

Sir,

Yours faithfully,

D. V. HUNNMANTH RAO,

M. A. SUBHAN,

Honorary Secretaries.

NORTH BEACH,

Madras, 22nd April 1910.

To

THE SECRETARY,

Indian Merchants' Chamber and Bureau,

Bombay.

SIR,—I have the honour to inclose a copy of the communication addressed by the Southern India Chamber of Commerce to the Secretary to the Government of India, Commerce and Industry Department, in support of your communication on the subject of POSTAL REGISTRATION FEES.

I have the honour to be,

Sir,

Your most obedient servant,

C. DORASWAMI AIYANGAR.

Asst. Secretary.

COPY.

NORTH BEACH,

Madras, 19th April 1910.

From

THE PRESIDENT,

The Southern India Chamber of Commerce,

Madras.

To

THE SECRETARY TO THE

GOVERNMENT OF INDIA,

Commerce and Industry Department,

Simla.

SIR,—1. The Committee of the Southern India Chamber of Commerce, Madras, wishes to join the Indian Merchants' Chamber and Bureau, Bombay, in the representation which the latter have made regarding the cheapening of the fee now levied for Postal Registration.

2. My Committee observes that the number of letters, Postcards, Books and Pattern Packets and parcels sent by registered Post has been increasing steadily. It endorses the view of the Bombay Bureau that the cheapening of the rate would stimulate the growth of Registration. It begs to urge further that, in view of the fact that the Post Office is not responsible for the loss of a registered article or for any injury thereto, that compensation in case of loss or damage is solely an act of grace and not in consequence of any legal liability, and that such compensation too is only up to a maximum limit of Rs. 25/-, the prayer for the reduction of the present fee is but very reasonable. Registration does not guarantee the safe delivery of a Postal article, and its benefit therefore, is not much to the sender. When, however, he resorts to Insurance, a heavy insurance fee is demanded from him.

But every insured article is also required to be registered. It is not apparent why insured articles should also be registered, entailing the payment of a double fee. Postal articles containing Currency Notes, stamps, cheques, Hundis, Bank Notes, Bank Post Bills, Bills of Exchange and the like are compulsorily registrable under the present rules, and to ensure the safe transmission of such articles, the sender has to take the precaution of insuring them as well, by paying an insurance fee. My Committee respectfully submits that there is little justification for enforcing Registration in such cases and that this needless and expensive formality may be dispensed with,

I remain,

Sir,

Your most obedient servant,

P. THEAGARAYA CHETTY,

President.

(True copy.)

C. DURASWAMI AIYANGAR,

Asstt. Secretary.

APPENDIX I.

Bombay, 25th October 1909.

From

THE CHAIRMAN,
The Indian Merchants' Chamber and Bureau,
Bombay,

To

B. ROBERTSON, ESQ., I. C. S;
Secretary to Government of India
Calcutta.

SIR,—The attention of my Committee has been drawn to the recent correspondence between the Karachi Chamber of Commerce and the Government on the subject of the non-delivery of insufficiently directed telegrams to addressees who are well known unless abbreviated addresses are registered.

This trouble, it would seem, has arisen from the fact of the word 'insufficiently addressed' being not defined accurately for practical purposes. What may be called an insufficient address and what not needs to be clearly defined. My Committee wonder whether addresses sufficient for postal purposes would be deemed sufficient for telegraphic purposes or not. To leave the interpretation to the discretion of subordinates of the Telegraph Department is altogether undesirable, as it is liable to various interpretations according to the significance attached to it by the officials for the time being. The Punjaub Chamber of Commerce rightly observes that 'it would at once be unreasonable and dangerous and altogether detrimental to the interests of all concerned to leave it to the discretion of comparatively poorly paid subordinates to say whether or not the address telegraphed is insufficient.'

My Committee agree with the reasoning in your letter to the Karachi Chamber of Commerce that 'it is impossible for the Department to give preferential treatment to any particular firm by reason of its having an uncommon name, as would be the case if it undertook to deliver telegrams addressed to 'Volkart' but held back telegrams addressed to 'Cooper or Forbes.' At the same time my Committee beg to point out instances which have come to their notice in which telegrams, which were otherwise fully addressed but without the number of the house, remained undelivered by the Department. This is highly objectionable and a source of irritation and great inconvenience to people, the majority of whom, in Bombay at least, are not aware of the numbers of houses in which persons to whom they address telegrams or letters, may be staying. My Committee would in this connection, point to Rule No. 26 of the Revised Telegraphic Rules which runs thus: 'For large towns the name of the street and the number of the house must be given or in the absence of these particulars the profession or any other relevant information.' This rule does not permit telegrams, which do not give the number of the street, to be held back on that score. For the Telegraphic Department to insist upon the number of the house is to practically entail great inconvenience on the addressees specially in cases of emergent domestic or other telegrams, to say nothing of telegrams for commercial purposes. The delay in such cases would be exceedingly irritating and a source of fruitful dissatisfaction against the Telegraphic Department which it is every way expedient for the Government to avoid. My Committee are of opinion that to a reasonable extent it is the duty of the Telegraphic Department to make a fair effort to deliver a telegram, be the address what it may.

My Committee beg to suggest that in case the delivery of telegrams is impossible through addresses being insufficient, they should be forwarded to addressees by unpaid post. This will ensure a safe delivery, while removing the grievance of the suppression of telegrams. It will also induce people not to direct telegrams under short and insufficient addresses, as otherwise the same would run the risk of being delivered late and the addressee will have to pay the postage money. My Committee hope that this suggestion will be found practical and be given a trial.

Lastly, my Committee request that the Government will be pleased to do all in their power to ensure convenience to the commercial public and the people generally, having regard to the fact that telegrams have become an essential necessity in the commercial, social, domestic and general life of the people.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MANMOHANDAS RAMJI.

Chairman.

(Sd.) PURSHOTUMDAS THAKORDAS,

Vice-Chairman.

(Sd.) JAYASUKHLAL K. MEHTA,

Secretary.

No. 8277—153.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

TELEGRAPHS.

Simla, the 2nd November 1909.

From

A. H. LEY, ESQ., I.C.S.,

Under Secretary to the Government of India.

To

THE CHAIRMAN,

Indian Merchants' Chamber and Bureau,

Bombay.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 25th October 1909, regarding the non-delivery of insufficiently directed telegrams.

The letter will be laid before the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

A. H. LEY,

Under Secretary to the Government of India.

No. 8342—153.

GOVERNMENT OF INDIA

DEPARTMENT OF COMMERCE AND INDUSTRY.

TELEGRAPHS.

Calcutta, the 10th November 1909.

From

B. ROBERTSON, ESQ. C.I.E., I.C.S.,

Secretary to the Government of India.

To

THE CHAIRMAN,

Indian Merchants' Chamber and Bureau.

Bombay.

SIR,—In reply to your letter, dated the 25th October 1909, on the subject of the non-delivery of insufficiently addressed telegrams, I am directed to forward for your information the enclosed copy of a letter addressed to the Chairman of the Bombay Chamber of Commerce containing the final orders of the Government of India in the matter.

No. 8032-153-(Telegraphs), dated 25th October 1909.

I have the honour to be,

Sir,

Your most obedient servant,

B. ROBERTSON,

Secretary to the Government of India.

No. 8032—153.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

TELEGRAPHS.

Simla, the 25th October 1909.

From

B. ROBERTSON, ESQ., C.I.E., I.C.S.,
Secretary to the Government of India,

To

THE CHAIRMAN,
Bombay Chamber of Commerce.

SIR,—I am directed to acknowledge the recepit of your letter No. 839, dated the 1st of October 1909, regarding the treatment by the Telegraph Department of telegrams bearing an insufficient address. You ask that further information may be supplied as to the interpretation of what constitutes a sufficient address in the case of non-registration. Much discussion has taken place on this question in the course of the past two months, and letters from some of the principal Chambers of Commerce and Trades Associations have been laid before the Government of India containing the views of these bodies on the whole subject. The Government of India have carefully considered these representations, and I am now to communicate to you the general conclusions at which they have arrived on the various suggestions that have been made.

2. In paragraph 2 of my letter to the Karachi Chamber of Commerce, No. 5233—153, dated the 20th July, the situation which had arisen consequent on the increasing tendency to curtail addresses and the difficulties with which the Telegraph Department was in consequence confronted were set

forth. From the criticisms which have been passed on the orders that were then issued, the Government of India consider that a certain amount of misconception exists as to the functions of the Telegraph Department in respect of the delivery of messages. A staff of messengers is kept at each Telegraph office, who take out for delivery telegrams as they are received. If a messenger has to spend his time searching for an addressee, as has hitherto been too frequently the case, telegrams accumulate at the Telegraph Office, and the whole system of delivery is thrown out of gear. The case of the Post Office is different; a postman, as he goes round his beat, can make inquiries about a doubtful address without inconvenience or delay in his work. But when telegrams have to be dealt with which are sent out individually as received, it is obvious that rapid delivery, such as the improved transmission of messages over the wires demands, cannot be effected, so long as the delivery staff is constantly having to search for addressees whose whereabouts can only be ascertained by looking up directories or by making enquiries in different localities of the place to which the message is addressed. It was this consideration which induced the Government of India to take up the subject of the addressing of telegrams and to insist on a closer observance of the rules in the Telegraph Guide.

3. For the purpose of the matter under discussion, the question of addresses on telegrams may be suitably considered according as the telegrams are for delivery to firms who largely use the telegraph or to persons who receive messages only occasionally. It was in connection with the former of these cases that the Government of India found it necessary to lay down that the full name of the firm should be given in the address or that the system of registration of an abbreviated address should be resorted to. In this respect I am to point out that no new departure was being made by the issue of these orders. Rule 32 (13) of the Telegraph Guide has been

in force for many years, and it lays down that registration is essential in all cases of persons who frequently receive telegrams addressed to them by an abbreviated name—as is the case when a single name is used instead of the full designation of a firm—and that Telegraph officials can decline to deliver such telegrams if, after notice has been given, the address has not not been registered The view has been pressed upon the Government of India that a well-known firm has the right to have its telegrams delivered by reason of its identity with a particular name. This view the Government of India cannot accept. As stated in paragraph 3 of my letter to the Karachi Chamber of Commerce, the Telegraph Department cannot give preferential treatment to any particular firm by reason of its having an uncommon name. The practice which has been allowed to grow up, notwithstanding the rule in the Telegraph Guide which has been quoted, has given an undue advantage to certain firms as compared with others who registered their addresses, and the former cannot complain if this inequality is removed. The Telegraph Department cannot discriminate between particular firms, and the Government of India must maintain the principle that either an abbreviated address should be registered or in the alternative, that the full name of the firm or particulars of address or occupation should be given.

4. The Government of India have in this connection considered the question of a reduction of the rate at present charged for the registration of an address, in the case of firms with places of business at several centres. The annual charge for registration is now Rs. 10, a rate which is much below what is charged in other countries, being about three-fifths of the rate in the United Kingdom and two-fifths of the rate charged on the Continent of Europe. In view of the lowness of the existing rate, the Government of India have decided that the fee of Rs. 10 should remain in force when the number of addresses registered is 10 or under, for the second 10 ad-

dresses the fee will be reduced to Rs. 5, and for any number of addresses over 20, the fee will be Rs. 3.

5. I am now to turn to the second of the two cases mentioned in paragraph 3 of this letter, namely the case of persons who do not regularly receive messages and who cannot be expected to register an address. The directions on this subject in the Telegraph Guide, to which a reference is particularly requested, are contained in rules 25, 26 and 27. These lay down that the address must contain all the particulars necessary to ensure the delivery of the telegram without search or enquiry. For large towns the name of the street and the number of the house must be given, or in the absence of these particulars, the profession of the addressee or any other relevant information. Even for small towns, the name of the addressee must, if possible, be accompanied by additional particulars to guide the office of destination in effecting delivery. On the 11th of February last the Director-General of Telegraphs issued a notice which was posted at all Telegraph offices in India, stating that an address consisting only of the name of the addressee and place of destination without further indication of the identity of the addressee would be considered as failing to satisfy the conditions laid down in the Telegraph Guide and that no special effort would be made to effect delivery of a telegram so addressed.

6. The action that was eventually taken upon this notice, with a view to enforcing better compliance with the rules, gave rise to much public comment, and it appeared that in particular places too strict an interpretation was being put upon the instruction that no special effort would be made to effect delivery. Director-General of Telegraphs accordingly at the beginning of September enjoined the exercise of greater discretion in carrying out the rules and directed that in small towns, to which Rules 27 applies, delivery should not be with-held of telegrams intended for persons about

whose identity there could be no doubt. And in the case of less well-known persons, if the address gave any indication of identity, besides the surname, reasonable endeavours should be made to deliver. The Government of India consider that these instructions sufficiently meet the requirements both of the public and the Telegraph Department in this troublesome matter. It is for the public to assist the Department by reasonable compliance with what is required in coping with a difficulty which seriously interfered with the rapid despatch of telegraph business. And the Telegraph Department will undertake delivery so long as no doubt can exist as to the identity of the addressee, and no special search or enquiry is necessitated in contravention of Rule 25.

7. A suggestion has been made that instead of reporting as undelivered telegrams which do not contain a sufficient address, a fee should be charged for delivery to be recovered from the addressee. The Government of India are unable to see their way to the adoption of this course, and they believe that the orders which have been issued make it unnecessary to further consider the matter. In the case of firms with registered addresses, delivery will be undertaken even if the address differs from that which has been registered. In the case of persons who do not regularly receive messages, telegrams sent to large towns must be properly addressed. If they are not, the Telegraph Department could not in any case ensure delivery. In the case of such persons living in small towns, if the addressee be well-known or if the address contains particulars which are likely to lead to delivery, the Department will endeavour to deliver. If the address is insufficient, even according to these conditions, the simplest plan is to inform the sender who can then advise further particulars. The Government of India consider that the prescription of a penalty on insufficient addresses such as has been proposed would only lead to further controversy, and they believe that the attention which has now been called to the

necessity for furnishing the Telegraph Department with proper addresses on telegrams and the orders which have been issued for the exercise of discretion in advising non-delivery, will accomplish all that is desired and that it is unnecessary to complicate the question by introducing a condition which might lead to further misunderstanding.

I have the honour be,

Sir,

Your most obedient Servant.

B. ROBERTSON,

Secretary to the Government of India.

APPENDIX J.

No. 9492 of 1909.

REVENUE DEPARTMENT

Bombay Castle, 30th September 1909.

From

H. B. CLAYTON, ESQ, I. C. S.,

Under Secretary to the Government of Bombay,

To

THE SECRETARY,

Indian Merchants' Chamber and Bureau,

BOMBAY.

SIR,—I am directed to forward a Copy of the letter from the Government of India, Department of Commerce and Industry No. 4089-4103-24, dated 9th June 1909, regarding the assimilation of the law relating to Joint Stock Companies in India to that obtaining in England, together with a Copy of the letter from Mr. A. C. Rice, A. C. A., Chartered Accoun-

tant, Bombay, dated 28th August 1909, suggesting modifications in the clause referring to appointments of auditors to the Companies in India, and to request that you will be so good as to favour Government with the opinion of the Chamber and Bureau on the proposals referred to in them.

2. I am also to append a copy of the English Companies Consolidation Act, 1908, which may be returned with your reply.

I have the honour to be,

Sir,

Your most obedient servant,

H. B. CLAYTON.

Under Secretary to Government.

DEPARTMENT OF COMMERCE AND INDUSTRY

(COMMERCE AND TRADE).

No. 4089—4103—24, dated 9th June 1909.

To—The Secretary to the Government of Bombay,

Revenue Department.

SIR,—The Government of India have under consideration the question of the revision of the Indian Companies Act, 1882 (VI of 1882) on the lines of the Companies (Consolidation) Act, 1908 (8 Edwd. 7, ch. 69), with the object of assimilating the Indian law to that obtaining in England, and I am accordingly to request that the Government of India may be furnished with the opinion of His Excellency the Governor in Council as to the suitability of the provisions of the English Act for adoption in India.

2. I am to explain that it is not intended to include in the new law provisions relating specifically to Life Assurance Companies. This matter is being separately dealt with in the light of the replies received to my letter No. 10569—10583-176, dated the 16th December 1907.

3. I am to add that the Government of India would further be glad to receive any suggestions as regards amendments in the Indian Companies Act which are considered of importance but which do not fall within the provisions of the English Act.

4. I am also to ask that the views of the Chambers of Commerce and other similar mercantile associations may be obtained and submitted to the Government of India.

I have, etc.,

M. M. GUBBAY,

Under Secretary to the Government of India.

Dated 28th August 1909.

To—The Secretary to the Council of His Excellency the Governor for making Laws and Regulations, Bombay.

SIR,—It is very gratifying to note that the Indian Companies Act is to be overhauled and brought up to the present standard of the Companies Act in England.

2. Might I suggest the advisability of the clause referring to appointment of auditors to the Companies in India to be worded "That an auditor of the Company must be a Chartered Accountant, Incorporated Accountant, or a person carrying on public practice as an Accountant."

3. There are at the present moment many an auditor to the Indian Companies, who are just there to sign the accounts and meet the requirements of the Indian Companies Act whose knowledge of auditing is limited to signing the Balance Sheet and pocketing the fees.

4. During my experience of over six years in the United Kingdom, I have seen the shortcomings of the clause referring to the appointment of auditors, and a perusal of the accompanying article on Defective Audits and Frauds will show the need for the amendment of the clause referring to the appointments of auditors. When such advantages of the wording of the Companies Act are taken by the people of England, whose education is far advanced to that of any other country, India in her ignorance could do more, and if the interest of the Indian public and shareholders is to be safeguarded against such malpractice, the only means is to define in the Act as to who shall be the auditors of the Company, and certain penalty imposed for not complying with the requirements of the Act.

5 I feel confident that with the passing of the Professional Accountants Bill in England, which has been presented to the English Parliament recently, the clause effecting the appointment of auditors shall be worded on a similar line as I have mentioned. This is the opportune moment to insert such a clause in the Indian Companies Act which is undergoing amendments. If this is left to a future date, then the practice of amateur auditors' appointments must go on much to the detriment of the Indian public and professional accountants who, I may say, are increasing in India every year.

6. I hope the Government of India will give impetus to this letter and do the needful.

I am, etc.,

ARTHUR C. RICE.

Defective Audits and Fraud.

As bearing upon the subject of the articles that have recently appeared in these columns under the above heading, a provincial correspondent has forwarded to us a cutting from the *Birmingham Dail Mail* of the 10th February 1909, which contains an account of the public examination of the officials of the West Bromwich Permanent Money Society before his Honour Judge Smith in the West Bromwich Country Court.

It is unnecessary for us to concern ourselves with the causes that have led to the winding-up of this Society, but the evidence of the two auditors is well worthy of consideration, as bearing upon the plea that we have already put forward for additional legislation providing effectively for an efficient audit of the accounts of all concerns in which the savings of the poorer classes are likely to be invested. One Knight, of West Bromwich, upon being examined before his Honour Judge Smith, stated that he was a vanman, and had acted as auditor of the above named Society during 1902, 1903, 1904 and 1905. He was first connected with the Society, he said, as an investing member and was asked to act as auditor by Hale, the Secretary. He was not appointed by a meeting of the committee or members, and has had never attended a meeting, neither had he ever signed the Balance Sheet produced at any meeting. Witness added that he knew nothing about accounts, but that Hale had pressed him to take the position. There were no books produced, but Hale made out the Balance Sheets in lead pencils because, he said, if there was any mistake it would be more easily rectified. Witness admitted that he did not see the Post Office or Bank Book, nor read the certificate the auditors had to sign, nor did he see any books at all. He left everything to Hale, and received 2*s*. 6*d*. or 5 shillings for auditing.

The second auditor, one Hunt, also of West Bromwich, described himself as an engine driver, and stated that he had

acted as auditor for 1903-04 and 1905. Like Knight, he had been appointed by Hale, although he had informed Hale that he was not a scholar, and knew nothing about accounts. He never attended a meeting, did not know that there was any meeting, had never read the Balance Sheets before signing them, and if he had done so he would not have understood them nor did he read the auditor's certificate, or ever see any books. He left everything to Hale and trusted to his honesty. Witness added that the most he received for auditing was 4 shillings. The Secretary, Hale, being recalled, denied many of the statements made by these witnesses, and asserted that the auditors had an opportunity of seeing the books and going through them. This disclaimer may, of course, interest Hale but it in no way affects our present argument. Here unfortunately is the case of a Society whose accounts are audited by two members who admittedly are so ignorant that even if they did have an opportunity of comparing the accounts they signed with the books, they would be unable to make any reasonable use of it. Such an audit is obviously valueless as a protection to members generally, yet it represents a due compliance with the statutory requirements, and doubtless serves its desired purpose of reassuring existing members and attracting new ones. It is unnecessary to remark that the men of this class, who are incompetent to undertake the duties of auditor, are equally incompetent to appreciate the seriousness of what they are doing in accepting such position without fulfilling the duties attendant thereto. It is clearly waste of time to seek to arrive at a better state of things by endeavouring to impress upon them, and others like them, the importance of an audit properly conducted. No useful reform can be expected until the Legislature has insisted upon the accounts of these concerns being regularly audited by persons who are properly qualified to do the work, and are of sufficient substance to be held responsible for any neglect with some reasonable prospect of advantage to those who have suffered in

consequence. Imperfect as are the provisions of the Building Societies Act, 1894, it is beyond doubt that they have done much to improve the stability of Building Societies during the past fourteen years, and it is equally incontestable that the number of Building Society frauds has been greatly reduced since the introduction of the compulsory professional audit. As it is beyond reasonable doubt that the audit of friendly and other similar societies is, as a rule, just as inefficient as it well can be, it is only reasonable to suppose that similar advantages might be secured here by the introduction of similar regulations. At the same time matters have not stood still during the past fourteen years, and it ought not now to be difficult to frame a clause which would more effectively secure what was then intended, that the responsibility of auditing these important undertakings should rest upon *bonafide* professional accountants, who have been properly trained to discharge their duties and depend on their livelihood upon their ability so to do.

77-79, APOLLO STREET.

Bombay, 11th January 1901.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

H. B. CLAYTON, ESQ., I.C.S.,

Under Secretary to the Government of Bombay,

Bombay.

SIR,—I have the honour, in reply to your favour of the 30th September 09 bearing No. 9492 of 1909, to submit here-

with the following views which the Committee of this Chamber entertain on several of the suggestions with regard to the modifications of the Indian Companies' Act.

My Committee are entirely in accord with the suggestion that the Indian Companies' Act 1882 should be revised on the lines of the Companies' Consolidation Act 1908 in the United Kingdom. In fact they are of opinion that that enactment may be wholly substituted for the Indian Companies' Act 1882, seeing that it is progressive and abreast of modern requirement in Co-operative banking and finance and will, if introduced here, check and control working of Joint-Stock Companies more efficiently. The other suggestions my Committee beg to offer for the favourable consideration of the Government are as under :—

1. Mortgage. Recent events in the history of cotton mills and others have made it clear that as the Company law stands at present, there is absolutely no protection of any kind whatever for creditors or depositors or both. Hundreds have lost their monies owing to the absence of stricter provisions in reference to loans and mortgages. To protect the interests of all kinds of creditors of a Joint-Stock Company it should be enacted that when the property and assets of a Company are to be mortgaged, previous notice of at least two weeks of the mortgage should be given to all prior creditors of the Company, or if this is not possible, that all prior creditors should be considered as having first charge on the Company. Such a provision while it will act as a deterrent effect on reckless Companies forming extravagantly, will assure safety to investors.

2. Loans Joint-Stock Companies should not be allowed to lend money to individuals or corporate bodies, but should be enjoined to invest their funds in Securities under the Trustees' Act or in sound Banking concerns.

3. Auditors. The question of auditors is attracting serious public attention of late. There is no doubt that many Joint-Stock Companies do not exercise proper care in their choice of auditors. Clerks of no position or persons having little or no knowledge of accounts or proteges of Secretaries, Agents or Directors are mostly selected, which is a great scandal. To safeguard public interests it is highly essential that there should be a trained and certified body of auditors. To secure such trained auditors it may well be enacted that persons holding certain qualifications only should be eligible as auditors. In the opinion of the Committee persons holding certificates as Chartered Accountants, Incorporated Accountants or who have at least practically worked as accountants for a term of at least five years in a respectable bank or commercial firm should alone be eligible as auditors, or such other test should be fixed as the Government may deem it advisable to attain the object in view.

Apart from the specific suggestions above made, my Committee would, in conclusion, respectfully submit to Government the extreme propriety of defining the functions and responsibilities of Directors towards shareholders, and of securing in future a better and efficient class of auditors in whom the public can have fair confidence. In reference to the last, I beg to bring to the notice of Government the accompanying copy of the able article on 'Balance Sheets' which has appeared in the *London Economist* of 18th December 1909. Were the several suggestions made in the latter part of the article embodied in the contemplated Companies' Act, my Committee are confident that they will give immense satisfaction to the general public.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MANMOHANDAS RAMJI.

Chairman.

APPENDIX K.

No. 10043 of 1909.

REVENUE DEPARTMENT,

Bombay Castle, 16th October 1909.

From

H. B. CLAYTON, ESQ., I.C S.,

Under Secretary, to the Government of Bombay;

To

THE SECRETARY,

Indian Merchants' Chamber and Bureau,

Bombay.

Sir,—I am directed to forward a copy of the revised draft rules governing the grant of mining concessions in India, and to request that you will be so good as to favour Government with the opinion of the Chamber and Bureau and with any suggestions they may have to make regarding the rules.

I have the honour to be

Sir,

Your most obedient servant,

H. B. CLAYTON,

Under Secretary to Government.

Rules for the grant by Local Governments of Licenses to prospect for Minerals and of Mining Leases in British India.

The following rules regulating the grant by Local Governments of licenses* to prospect for minerals and the grant of leases of mines and minerals have been made by the Governor-General in Council, and sanctioned by the Secretary of State for India in Council.

No such license or lease can be granted by any Local Government otherwise than in accordance with these rules, except with the previous sanction of the Secretary of State for India in Council, or with that of the Governor-General in Council under any general or special authority which he may have received in this behalf from the Secretary of State in Council.

In these rules—

"Collector" means the Revenue Officer in charge of the district ;

"Local Government" includes a Chief Commissioner; and

"Person" includes any persons, syndicate, partnership or Company.

A license or lease under these rules may be granted to any person ; in case of the death of the person or any of the persons to whom it is granted, it shall inure for the benefit of his legal representatives.

* *Note.*—The issue of exploring licenses authorising the surface of land to be searched for minerals has been discontinued. The surface of unoccupied and unreserved land which is the property of Government may be freely searched without authority. In the case of occupied land search can be made only with the consent of the occupier.

Certificates of approval.

1. (1) No prospecting license or mining lease shall be granted, except to a person holding a certificate of approval from the Local Government.

(2) A certificate of approval shall have effect from the date thereof, and shall expire at midnight on the 31st of December next following. Only one person shall be named in such certificate. The fee payable therefor shall be Rs. 50.

(3) A certificate of approval may be renewed at the discretion of the Local Government on payment of a fee of Rs. 10, if application for renewal is made within one month of the date of expiry of the original certificate. Otherwise the fee shall be Rs. 50.

(4) The names of persons to whom certificates of approval have been granted shall be published in the Local Government Gazette, and every application for a prospecting license or a mining lease shall be accompanied by a statement of the number and date of the Gazette notification of the certificate of approval.

(5) Before considering an application for a prospecting license or a mining lease, the Collector shall verify the Gazette notification quoted, and shall refuse any application for a license or a mining lease from a person not in possession of a valid certificate of approval. Provided that licenses or leases previously granted may be held by a grantee who is no longer in possession of a certificate of approval.

Prospecting Licenses.

2. (1) A license to prospect for minerals or mineral oil, called hereinafter a prospecting license, shall confer on the licensee the sole right; subject to the conditions contained in the license, to mine, quarry, bore, dig and search for, win, work, and carry away any mineral or mineral oil, lying or being within, under or throughout the land specified in the license.

(2) A prospecting license shall be granted only in respect of land in which the mines, minerals, or mineral oils are the property of Government.

3. (1) Every application for a prospecting license shall, unless the Local Government shall in any case otherwise direct, be made to the Collector of the district in which the land or some part of the land with respect to which the license is required is situate.

(2) Every such application shall contain the following particulars, namely:

(*a*) the name, residence, and profession of the applicant;

(*b*) a description, illustrated by a map or plan, showing as accurately as posible the situation, boundaries and area of the land with respect to which the license is required.

(3) Should the applicant for a prospecting license desire the Collector to prepare for him the map or plan required by this Rule, or should the map or plan presented by the applicant be insufficient, the Collector may prepare the map or plan required, and may, if he so order, recover the cost from the applicant at a rate not exceeding 4 annas per acre.

(4) The Collector shall prepare and maintain upto date a map showing the areas granted under prospecting licenses and mining leases. The map shall be open to inspection by any holder of a certificate of approval or his duly authorized representative on payment of such fee as the Local Government may prescribe.

4. The Local Government may declare, in respect of any specified area, that, in lieu of presenting an application containing the particulars required in rule 3 (2) above, every applicant for a prospecting license shall adopt the procedure prescribed below.

(1) He shall, before forwarding his application to the Collector, demarcate the area applied for in the following method :—

(a) At every angle or corner of each boundary line or as near thereto as is practicable, he shall fix pegs of substantial material standing not less than 2 feet above the surface of the ground, and being not less than 3 inches square or 3 inches in diameter.

(b) If pegs be not obtainable, he may use instead cairns of stones or mounds of earth, having in each case a height of not less than 2 feet and a diameter at the base of not less than 2 feet.

(c) The direction of the boundary line on each side of each peg, cairn or mound shall be indicated with reasonable care by a trench having a length of 4 feet, and a breadth and depth of not less than 6 inches; provided that if trenches cannot be conveniently cut, the direction of the boundary lines shall be indicated by finger posts, or in any other manner suitable for the purpose.

(d) The pegs, cairns or mounds shall bear or have affixed thereto some distinguishing mark which shall be described in the application.

(e) In the case of an application for land on the sea-shore, it shall not be necessary to mark out the land below high-water level.

(f) No peg, cairn, mound or other mark employed in marking out the land applied for shall be removed or defaced after the application shall have been filed, without the permission of the Collector.

(2) The application to the Collector shall contain the following particulars, *viz*:—

(*a*) The name, residence and profession of the applicant.

(*b*) A description, as accurate as possible, and illustrated by a sketch, of the situation, boundaries and area of the land with respect to which the license is required.

(*c*) A description of the distinguishing mark on the pegs, cairns or mounds constructed to mark out the boundaries of the concession applied for.

(*d*) The date of marking out the concession applied for.

(3) The application shall be accompanied by such deposit as the Local Government may by general or special order declare to be required to meet the cost of a survey of the area.

(4) The Collector shall, as soon as possible after the receipt of the application, cause the land applied for to be surveyed at the expense of the applicant, and the area and all other details ascertained in the course of such survey shall be presumed to be correct.

5. On receipt of any application under rule 3 or rule 4 the Collector shall, as soon as practicable, inquire whether the grant of the license applied for is inexpedient either on the ground that the land described in the application is required for a public purpose or otherwise.

6. (1) Should the Collector be of opinion that it is not expedient to grant the license, he shall refuse to grant it, and shall forthwith report the matter through the proper channel to the Local Government, which may pass such orders as it

may think fit. Provided that the Local Government may exempt the Collector, in respect of any area or any class of cases, from the necessity of making such report.

(2) Subject to the control of the Local Government, the Collector, if he finds that the applicant is in possession of a valid certificate of approval, and that there is no objection to the grant of the license applied for, may grant to the applicant a license in such form as may be prescribed, and shall report the matter to the Local Government or such other authority as the Local Government may direct.

7. Every applicant shall before the license is granted, deposit as security in respect of such license a sum of Rs. 100 per square mile or part of a square mile of the area covered by the license, or with the Collector's permission give security to a like amount to the satisfaction of the Collector. Subject to such deduction on account of compensation for surface damage, penalty or otherwise as the Collector may order, the amount of any deposit made under this rule, should the depositor afterwards be granted a mining lease, will be carried to his credit as part of the rents, royalties or deposit money payable under the lease. Or should he decline, or fail to obtain any such lease as aforesaid, the amount will be returned to him on his satisfying the Collector that the condition in Rule 9 (ix) has been complied with and on his furnishing the Collector with the information required by Rule 13.

8. (1) A register of applications for prospecting licenses shall be kept in English in the Collector's office, specifying—

(1) Serial number

(2) Name of applicant

(3) Residence of applicant

(4) Date and number of certificate of approval granted to applicant by the Local Government.

(5) Date of application.

(6) If application received incomplete, date of completion.

(7) Situation and boundaries of the land.

(8) Estimated area.

(9) Date of license, if granted.

(10) Period for which granted, with note as to renewals or lapses.

(11) Fee and royalty payable under Rule 9 (ii) and (iii).

(12) Amount of deposit.

(13) Particulars of disposal or refund of deposit.

(2) The register shall be open to inspection by any holder of a certificate of approval or his duly authorized representative, on payment of such fee as the Local Government may prescribe.

(3) In the case of two or more applications affecting the same land, priority shall, subject to any order which the Local Government may pass in any particular case, be deemed to lie with the applicant, who, being the holder of a certificate of approval and after compliance with the procedure prescribed by the rules, shall have been the first to file his application with the Collector ; and the Collector, or such officer as he may authorise to do so, shall note upon every application the date and hour of its receipt.

9. Every prospecting license shall contain such conditions as may in any particular case seem necessary, and shall in all cases contain the following conditions:—

(i) The term for which the license shall be granted shall be two years or such shorter term as the applicant may desire. No renewal of a prospecting license for a period which shall make

the total term of the license extend beyond two years shall be permitted without the sanction of the Governor-General in Council in each case.

Provided that, when the licensee has, before the termination of the period of the license, applied for the grant of a mining lease, the Collector may extend the period of the license until a mining lease is granted or for such time as he may deem fit.

(ii) The licensee shall pay a fee not exceeding one rupee and not less than one anna per acre of the land covered by the license. for each year or portion of a year of the term for which the license is granted. When an extension of the period of the license is granted by the Collector under the proviso to the last foregoing condition, the Collector may at his discretion grant such extension free of charge or may levy a fee for the period of the extension proportionate to the annual fee above prescribed.

(iii) The licensee shall pay royalty at a rate not exceeding 15 per cent. of the value on all precious stones won and carried away, and a royalty at the rates specified in Schedule A on all other minerals won and carried away over and above such quantity as is allowed in Schedule B. to be taken free for purposes of experiment.

(iv) No land in the occupation of any person shall be entered upon without the consent of the occupier; and no trees, standing crops or other private property shall be cut or in any way injured without the consent of the owner thereof.

(v) The licensee shall make and pay reasonable satisfaction and compensation for all damage, injury or disturbance which may be done by him in exercise of the powers granted by the license, and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage, injury or disturbance.

(vi) The licensee shall not cut or injure any tree on unoccupied and unreserved land without the permission in writing of the Collector, or of such officer or officers as he may appoint: nor, without the permission of the Collector, shall he disturb the surface of any road, or enter on any public pleasure ground, burning or burying ground or place held sacred by any class of persons.

(vii) The licensee shall have power to assign his license or transfer any right or interest thereunder to a person holding a certificate of approval, subject only to the condition that such assignment or transfer shall be reported to the Collector within one calendar month of its completion together with full particulars of the transaction. All such assignments or transfers shall be registered in the office of the Collector, and a fee shall be paid for registration at such rate as the Governor-General in Council may prescribe in this behalf.

Provided that in the case of any particular mineral* the Governor General in Council may reserve the right to require his previous sanction to the assignment or transfer.

* The right has been received at present in the case of

(viii) In case of any breach on the part of the licensee of any of the preceding clauses, the Collector may summarily revoke the license, and thereupon all rights conferred thereby or enjoyed thereunder shall case; or, should he see fit, he may, in lieu thereof, declare to be forfeited to Government the whole or any part of the deposit made by the licensee under Rule 7. An appeal shall lie to the Local Government against any order under this clause within thirty days from the date of its communication to the licensee.

(ix) Save in the case of land over which the licensee shall have been granted a mining lease on or before the determination of the license, he shall within six months next after the determination of the license or the date of the abandonment of the undertaking, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that he may have made in the land to such extent as the Collector may require, and shall to the like extent restore the surface of the land and all buildings thereon which he may have damaged in the course of prospecting.

(x) Should any question or dispute arise regarding the license, or any matter or thing connected therewith, or the powers of the licensee thereunder, or the amount or payment of the rent or royalty made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.

10. On or before the determination of his license the licensee shall have a right, subject to the rules hereinafter contained—

(*a*) in the case of mineral oil or minerals other than precious stones, to a mining lease in accordance with the terms contained in the rules for mining leases;

(*b*) in the case of precious stones, to the first offer of such mining lease as the Governor-General in Council may think fit to grant.

Such lease may include so much land, comprising the whole or a part only of the area for which the prospecting license was granted, as shall not exceed the area specified with respect to mining leases in Rule 18.

11. (1) All operations conducted under the authority of these rules within a reserved forest shall be subject to such conditions as the Local Government may by general or special order from time to time prescribe.

(2) It shall be a condition of every license granted under these rules that, before the commencement of prospecting within a reserved forest, notice shall be given to the District Forest Officer of the intention to commence operations, and that the operations shall be conducted subject to any conditions regarding the use of fire that he may prescribe.

12. If a license is not executed within three months after leave has been granted for it, the right of the applicant to such license shall be held to have lapsed, unless the Local Government, for special reasons, consents to grant the same notwithstanding the delay.

13. The licensee shall be required, before the deposit made under Rule 7 is returned to him, to disclose confidentially to the Collector all information acquired in the course of the operations carried on under the license, regarding the minerals contained in or the geological formation of any area not taken up by him under a mining lease,

SCHEDULE A.

Royalty—Rule 9 (iii).

Coal, exclusive of dust and coal used on the works.	5 per cent. on the sale value at the pit's mouth, with a minimum of 2 annas per ton.
Coal dust ...	... Half the rates fixed for coal
Oil	... 8 annas per 40 gallons or 5 per cent. *ad valorem* on gross value.
Gold and silver	... 7½ per cent. on the profits* of each year taken separately or 2½ per cent. on the gross value, at the option of the Local Government.
Iron	... ½ anna per ton of iron stone.
Precious stones	. . Not exceeding 15 per cent. of the value on all precious stones won and carried away.
All other minerals not specified above.	... 2½ per cent. on the sale value at the pit's mouth or on the surface, of the dressed ore or metal, convertible at the option of the Local Government to an equivalent charge per ton to be fixed annually or for a term

* Profit shall be taken to mean the excess of the revenue which is wholly derived from the sale of the mineral or minerals specified over expenditure, after all costs and expenses chargeable to the actual working and management of the mine shall have been included. But neither depreciation nor amortization, nor Director's fees, nor any revenue or expenditure obtained or incurred on account of share or capital transactions, or by trading, shall be brought into the account provided that the fees of such Director or Directors as may actually direct technical operations and are specifically denoted as Managing Director or Managing Directors, may be included in the expenditure,

SCHEDULE B.

Maximum quantities removable free of royalty—Rule 9 (iii).

Class A.	—Separated gold, platinum and other precious metals occurring in the native state	*Nil.*
,, B.	—Auriferous rock and gravel	2 tons.
,, C.	—Metalliferous ores such as those worked for aluminium, iron, manganese... ...	10 ,,
,, D.	—Metalliferous ores, such as those worked for antimony, arsenic, bismuth, chromium, copper, lead, nickel, tin, titanium, tungsten, zinc, ...	5 ,,
,, E.	—Metalliferous ores such as those worked for cadmium, cobalt, mercury, molybdenum, silver, thallium, vanadium ...	2 ,,
,, F.	—Compound ores containing the metals of class E in smaller quantities than those of class D	5 ,,
,, G.	—Coal, lignite	50 ,,
,, H.	—Petroleum	200 gallons.
,, I.	—Minerals of the so-called "rare earths," such as minerals worked specifically for caesium, cerium, columbium, didymium, erbium, gallium, germanium, indium, lithium, niobium, rubidium, tantalum, thorium, uranium, yttrium, zirconium, .	1 ton.
,, J.	—Minerals used in agriculture and chemical manufactures, such as bauxite gypsum, iron pyrites, and pyritous shales ...	10 tons,

,, K.—Minerals used in various arts, such as asbestos, barytes, bitumen, borax, corundum, emery, felspar, fluor spar, graphite, mica, native sulphur ... ... ½ ton.

,, L.—Precious stones and gems, such as agate, amber, amblygonite, amethyst, aquamarine, beryl, chrysoberyl, chrysolite, diamond, emerald, garnet, jade, and jadeite, jasper, lapis lazuli, moon-stone, opal, ruby, sapphire, spinel, topaz, tourmaline, torquoise ... . *Nil.*

Mining Leases.

14. (1) Every application for the grant of a mining lease, not being a lease of a mine of precious stones, shall be presented to the Collector in whose district the land or some part of the land with respect to which the lease is required is situate. The Collector shall forward the application through the proper channel to the Local Government.

(2) A mining lease shall be granted only in respect of land in which the mines, minerals, or mineral oils are the property of Government.

(3 With the application the applicant shall deposit * as security in respect of preliminary expenses such sum not exceeding Rs. 500, as the Collector may determine, or with the Collector's permission give security to the like amount to the satisfaction of the Collector. The amount of any deposit made under this rule, should the depositor be granted a mining lease, will be carried to his credit as part of the rents and royalties payable under the lease, or should he

* *Note.*—Any amount held in deposit under Rule 7 will be carried to the credit of the applicant if the application relates to the area for which he holds a prospecting license,

decline to receive or fail to obtain any such lease as aforesaid, will be returned to him, less any expenses incurred by Government.

15. (1) Every application for a mining lease shall contain the following particulars, namely:—

(*a*) the name, residence, and profession of the applicant;

(*b*) a specification of the mineral or minerals for which the applicant intends to mine;

(*c*) a description, illustrated by a map or plan, showing as accurately as possible, the situation, boundaries, and area of the land with respect to which the lease is required.

(2) Should the applicant for a mining lease desire the Collector to prepare for him the map or plan required by this rule or should the map or plan presented by the applicant be insufficient, the Collector may prepare the map or plan required, and may, if he so order, recover the cost from the applicant at a rate not exceeding 4 annas per acre.

(3) The Collector shall prepare and maintain up to date a map showing the areas granted under prospecting licenses and mining leases. The map shall be open to inspection by any holder of a certificate of approval or his duly authorized representative on payment of such fee as the local Government may prescribe.

16. The Local Government may declare in respect of any specified area, that, in lieu of presenting an application containing the particulars required in Rule 15 (1) above every applicant for a mining lease over an area, in respect of which he is not already in possession of or has not submitted an application for a prospecting license, shall adopt the procedure prescribed below.

133670

(1) He shall before forwarding his application to the Collector, demarcate the area applied for in the following method :—

(*a*) At every angle or corner of each boundary line, or as near thereto as is practicable, he shall fix pegs of substantial material standing not less than 2 feet above the surface of the ground, and being not less than 3 inches square or 3 inches in diameter.

(*b*) If pegs be not obtainable, he may use instead cairns of stones or mounds of earth, having in each case a height of not less than 2 feet and a diameter at the base of not less than 2 feet.

(*c*) The direction of the boundary line on each side of each peg, cairn or mound shall be indicated with reasonable care by a trench having a length of 4 feet, and a breadth and depth of not less than 6 inches ; provided that if trenches cannot be conveniently cut the direction of the boundary lines shall be indicated by finger posts, or in any other manner suitable for the purpose.

(*d*) The pegs, cairns or mounds shall bear or have affixed thereto some distinguishing mark which shall be described in the application.

(*e*) In the case of an application for land on the sea-shore, it shall not be necessary to mark out the land below high-water level.

(*f*) No peg, cairn, mound or other mark employed in marking out the land applied for shall be removed or defaced after the application shall have been filed, without the permission of the Collector.

(2) The application to the Collector shall contain the following particulars, *viz* :—

(*a*) The name, residence and profession of the applicant.

(*b*) A description, as accurate as possible, and illustrated by a sketch, of the situation, boundaries and area of the land with respect to which the lease is required.

(*c*) A description of the distinguishing mark on the pegs, cairns or mounds constructed to mark out the boundaries of the concession applied for.

(*d*) The date of marking out the concession applied for.

(*e*) A specification of the mineral or minerals for which the applicant intends to mine.

(3) The application shall be accompanied by such deposit, in addition to that prescribed in Rule 14 above, as the Local Government may by general or special order declare to be required to meet the cost of a survey of the area.

(4) The Collector shall as soon as possible after the receipt of the application, cause the land applied for to be surveyed at the expense of the applicant, and the area and all other details ascertained in the course of such survey shall be presumed to be correct.

17. In the case of two or more applications affecting the same land, and presented by applicants who are not in possession of or have not applied for prospecting licenses in respect thereof, priority shall, subject to any order which the Local Government may pass in any paticular case, be deemed to lie with the applicant who, being the holder of a certificate of approval and after compliance with the procedure prescribed by the rules, shall have been the first to file his application with the Collector; and the Collector, or such officer as he may authorize to do so, shall note upon every application the date and hour of its receipt.

18. On receipt of the application from the Collector, the Local Government may, if the applicant is entitled to a lease under Rule 10, or if it considers that the applicant should be granted a mining lease, grant the same in accordance with these rules over such area as it may think fit.

Provided that no mining lease shall be granted by a Local Government under these rules so as to cause the total area held under mining leases by the lessee, or by those in joint interest with him, to exceed ten square miles.

No such lease shall be executed until it has been approved by the Advocate General or other legal adviser, if any, appointed for the Province.

19. Without the previous sanction of the Governor-General in Council, the length of an area held under a mining lease shall not be allowed to exceed four times its breadth.

Provided that this rule shall not apply to areas in river beds held on lease for dredging purposes, in respect of which the Local Government may with the sanction of the Governor-General in Council, make rules as to the dimensions and shape of areas for which such leases may be granted.

20. The boundaries below the surface of all areas given cut on mining lease under these rules shall be considered to run vertically downwards towards the centre of theearth,

21. The term for which a mining lease may be granted shall not exceed 30 years, but the lease may contain a clause permitting renewal for a period not exceeding 30 years, on a dead and surface rent not exceeding twice the original dead and surface rent respectively, the royalty payable being that which may, on the day next following that on which the original lease shall determine, be in force under the orders of competent authority.

22. Every mining lease shall contain such conditions and stipualtions as the Local Government may in each case consider necessary ; and shall in every case contain the following conditions, namely :—

(i) the lessee shall pay a royalty or royalties at the rate specified in the lease, which rate or rates shall be those fixed for the particular mineral or minerals in Schedule A ; and if any other mineral shall be discovered by him, then the royalty shall be paid therefor at such rate, not being less than 20 per cent. of the value thereof, as the Local Government may determine, until a mining lease has been obtained in respect of such mineral ; but the lessee shall be entitled within twelve months from the discovery of such mineral to require and obtain such lease for the term then unexpired of his original lease provided that, if he decline to take a lease as above provided, the Local Government may give a lease in respect of such mineral to any any other person.

(ii) the lessee shall also pay for every year after the first year a fixed yearly dead rent at a rate not less than that laid down in Schedule B: provided that no lessee shall pay both royalty

and dead rent in respect ot the same leases, but only such one of them as may be of the greater amount.

(iii) the lessee shall also pay for all land which he may take up, use, or occupy for the purpose of the mine a surface rent at the rate specified in Schedule C.

(iv) the lessee shall at his own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in a plan annexed to his lease.

(v) the lessee shall make and pay reasonable satisfaction and compensation for all damage, injury or disturbance which may be done by him in exercise of the powers granted by the lease, and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage, injury or disturbance.

(vi) the lessee shall not cut or injure any tree reserved in the lease.

(vii) the lessee shall have power to assign the lease or transfer any right or interest thereunder to a person holding a certificate of approval, subject only to the condition that such assignment or transfer shall be reported to the Collector within one calendar month of its completion together with full particulars of the transaction. All such assignments or transfers shall be registered in the office of the Collector and a fee shall be paid for registration at such rate as the Governor-General in Council may prescribe in this behalf.

Provided that in the case of any particular mineral* the Governor-General in Council may reserve the right to require his previous sanction to the assignment or transfer.

(viii) the lessee shall commence† operations within one year from the date of the execution of the lease, and shall thereafter carry them on effectually in a proper, skilful and mining-like manner, unless prevented by unavoidable cause; should the lessee cease, without reasonable cause of which the Local Government shall be the judge, to work the mine for a period exceeding on year in such a manner as to produce sufficient mineral to earn a royalty at least equal to the dead rent, it shall be deemed a breach of this condition.

(ix) the lessee shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein, and also complete plans of the mine,. and shall allow any officers authorised by the Local Government in that behalf at any time to examine such accounts and plans, and shall furnish the Local Government with such information and returns in respect of the aforesaid matter as it may prescribe.

(x) the lessee shall allow existing and future license or lease holders of any land which is comprised in or adjoins or is reached by the land held by the lessee, reasonable facilities of access thereto.

---

* *Note.*—The right has been reserved at present in the case of

† *Note.*—The erection of machinery for the purpose of working the mine, although not necessarily on the land covered by the lease, shall be deemed sufficient compliance with the first part of this condition.

(xi) the lessee shall allow any officer authorised by the Local Government in that behalf to enter upon the premises comprised in the lease for the purpose of inspecting the same.

(xii) the lessee shall without delay send to the Collector a report of any accident which may occur at or in the said premises, and also the finding therein of any mineral not specified in the lease.

(xiii) should the royalty or rent reserved or made payable by the lease be not paid within two months next after the date fixed in the lease for the payment of the same, the Local Government may enter upon the said premises and distrain all or any of the minerals or movable property therein, and may carry away or detain them until the rent or royalty due and all costs and expenses occasioned by the non-payment thereof shall be fully paid and ; and if any royalty or rent remain at any time unpaid for six calendar months after the date on which it is due the Local Government may determine the lease and take possession of the premises comprised therein.

(xiv) in case of any breach on the part of the lessee of any covenant or condition contained in the lease the Local Government may determine the lease and take possession of the said premises ; or, in the alternative, may accept payment of a penalty, not exceeding twice the amount of the annual dead rent, from the lessee.

(xv) at the end or sooner determination of the lease, the lessee shall deliver up the said premises and all mines (if any) dug therein in a proper and workman-like state, save in respect of any working as to which the Local Government may have sanctioned abandonment.

(xvi) should any question or dispute arise regarding the lease or any matter or thing connected with the mines and minerals leased or the working or non-working thereof, or the amount or payment of the royalty or rent reserved or made payable by the lease, the matter in difference shall be decided by the Local Government, whose decision thereon shall be final.

23. No lease of a mine of precious stones shall be granted except by the Governor-General in Council. The procedure for obtaining, and the conditions of, such lease shall be those prescribed by Rules 14 to 22, read as if the Governor-General in Council were substituted for the Local Government.

24. (1) All operations conducted under the authority of these rules within a reserved forest shall be subject to such conditions as the Local Government may by general or special order from time to time prescribe.

(2) It shall be a condition of every lease granted under these rules that before the commencement of work within a reserved forest, notice shall be given to the District Forest Officer of the intention to commence operations, and that the operations shall be conducted subject to any conditions regarding the use of fire that he may prescribe.

(3) Every mining lease which includes any portion of a reserved forest shall, if it authorises the lessee to fell timber

for mining purposes, specify the area within which, or the quantity up to which, and the terms and conditions upon which, he may exercise that authority.

25. If a lease is not executed within three months after leave has been granted for it, the right of the applicant to such lease shall be held to have lapsed, unless the Local Government for special reasons consents to grant the same notwithstanding the delay.

SCHEDULE A.

Royalty Rule 22 (i).

Mineral.	Royalty.
Coal exclusive of dust and coal used on the works.	5 per cent. on the sale value at the pit's mouth, with a minimum of 2 annas per ton.
Coal dust	Half the rates fixed for coal.
Oil	8 annas per 40 gallons, or 5 per cent. *ad valorem* on gross value.
Gold and Silver ..	$7\frac{1}{2}$ per cent. on the profits of each year taken separately, or $2\frac{1}{2}$ per cent. on the gross value, at the option of the Local Government,
Iron	$\frac{1}{2}$ anna per ton of iron stone.
Precious stones ...	30 per cent. on the profits* of each year taken separately.
All other minerals not specified above.	$2\frac{1}{2}$ per cent. on the sale value at the pit's mouth or on the surface of the dressed ore or metal, convertible, at the option of the Local Government to an equivalent charge per ton to be fixed annually or for a term.

*Profits shall be taken to mean the excess of the revenue which is wholly derived from the sale of the mineral or minerals specified over expenditure, after all costs and expenses chargeable to the actual working and management of the mine shall have been included. But neither depreciation nor amortization nor Director's fees, nor any revenue or expenditure obtained or incurred on account of share or capital transactions, or by trading, shall be brought into the account, provided that the fees of such Director or Directors as may actually direct technical operations, and are specifically denoted as Managing Director or Managing Directors may be included in the expenditure.

SCHEDULE B.

Minimum Dead Rent 22 (ii).

Mineral.	Dead Rent per acre (minimum)
(1) Coal, lignite, minerals used in agriculture and chemical manufactures, such as bauxite, gypsum, iron pyrites and pyritous shales.	4 annas per acre.
(2) Gold and silver, precious stones, and all minerals (not included in (1) above), except iron-ore.	1 rupee per acre.
(3) iron-ore.	1 anna per acre.

NOTE.—These minima are purposely fixed low : but they are liable to be largerly exceeded, according to the value of the deposit and degree of development of the country.

SCHEDULE C.

Surface Rent—Rule 22 (iii.)

The rent rate assessable under the revenue and rent law of the Province, or, if no such rent is so assessable, the rate which may be fixed by Government, subject to a maximum of one rupee and a minimum of four annas per acre.

77-79, APOLLO STREET,

Bombay, 11th January, 1910.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay,

To

H. B. CLAYTON, ESQ., I.C.S.,

Under Secretary to the Government of Bombay,

Bombay.

SIR,—I have the honour to submit herewith opinions of my Committee on the revised draft rules governing the grant of mining concessions in India sent along with your letter of the 16th October 09 bearing No. 10043 of 1909.

1. With reference to Rules Nos. 2 & 3 my Committee are of opinion that the certificate of approval should not be made to be renewed every year. It ought to be considered as granted once for all as under old regulations. The proposed change will entail needless inconvenience and expense.

2. My Committee feel that absolute powers of Collectors with reference to grant of prospecting licenses ought to be restricted and that parties ought to be given the right of appeal to the local Government against the decision of a Collector.

3. With reference to Rule No. 8 sub-section 3 my Committee beg to suggest that priority of applications ought not to be considered as the only consideration if the prospector shows that he was the first *bona-fide* prospector. Lastly, my Committee will request the Government to issue

instructions to Collectors that persons desirous of prospecting should be furnished with all the necessary information on payment of a reasonable fee, as they understand that such information is not forthcoming at present even on the payment of such fees.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MANMOHANDAS RAMJI,

Chairman.

(Sd.) PURSHOTUMDAS THAKORDAS

Vice-Chairman.

(Sd.) JAYASUKHLAL K. METHA,

Secretary.

APPENDIX L.

77-79, APOLLO STREET,
Bombay, 9th November, 1909.

From

THE CHAIRMAN,
The Indian Merchants' Chamber and Bureau,
Bombay,

To,

THE SECRETARY TO THE
GOVERNMENT OF BOMBAY,
General Department,
Bombay.

SIR,—I have the honour on behalf of my Committee to draw your attention to the want in the Committee, appointed by the Government to consider about Holidays for the year, of a representative of the Indian Commercial Community. It happens sometimes that certain days are fixed as Holidays when the real Holidays are either a day behind or a day forward. As instances in point, they beg to point out the present Diwali Holidays and the recent Gokul-Ashtami Holiday. Whereas the real Diwali Holidays are Friday and Saturday, the 12th and 13th inst., the public Holidays are fixed for the 11th and 12th inst., similarly whereas the real Gokul-Ashtami Holiday was Tuesday the 7th of September, the public Holiday was fixed for Monday the 6th of September.

The inconvenience arising from this kind of arrangement is that business is needlessly stopped on what is veritably a non-Holiday. Practically therefore business men have to stop business for two days instead of one.

In order to obviate this kind of inconvenience, my Committee beg to suggest that it would be most satisfactory were the Government graciously pleased to appoint an Indian

gentleman from this Chamber conversant with the Indian Holidays to be associated with Holidays Committee for fixing the dates of the Bank Holidays.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MUNMOHANDAS RAMJI,

Chairman.

(Sd.) PURSHOTUMDAS THAKORDAS

Vice-Chairman.

JAYASUKHLAL K. METHA,

Secretary.

No. 4105 of 1909.

FINANCIAL DEPARTMENT.

Bombay Castle, 16th November, 1909.

From

R. D. BELL, ESQ., I.C.S.,

Under Secretary to the Government of Bombay,

To

THE CHAIRMAN,

Indian Merchants' Chamber & Bureau,

Bombay.

SIR—In reply to your letter dated 9th November 1909, I am directed to state that the Holidays Committee for the ensuing year was appointed some days ago and it has been asked to submit its report by the 16th instant at the latest. Your letter was received too late for action to be taken on it in respect to that Committee; but in future your Chamber will be asked to name a member to serve on the Holidays Committee.

2. I am to add that if you will send immediately a list of the dates on which, in the Chamber's opinion the festivals which were notified as Bank Holidays for the current year ought to be declared as such for the ensuing year, it will be compared with the Committee's report.

I have the honour to be,

Sir,

Your most obedient servant,

R. D. BELL,

Under Secretary to Government,

77-79, APOLLO STREET,

Bombay, 19th November, 1909.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay.

To,

R. D. BELL, ESQ., I.C.S.,

Under Secretary to the Government of Bombay,

Bombay.

SIR,—I have the honour to acknowledge the receipt of your favour of the 16th inst. bearing the number 4105 of 1909, and to thank the Government on behalf of my Committee for their being pleased to accord to the Chamber the right of sending a member to serve on the Holidays' Committee in

future with regard to the list of the dates on which, in the Chambers' opinion, the festivals which were notified as Bank Holidays for the current year ought to be declared as such for the ensuing year, my Committee beg to send to you the dates on which the following Hindu Holidays fall.

Mahashivratri	9th March, Wednesday.
Holi	25th March, Friday.
Ramnavmi	18th April, Monday.
Cocoanut Day	20th August, Saturday.
Gokul Ashtami	27th August, Saturday.
Ganesh Chaturthi	7th September, Wednesday.
Dussera	13th October, Thursday.
Diwali	31st October, Monday.
	& 1st November, Tuesday.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MANMOHANDAS RAMJI,

Chairman.

(Sd.) PURSHOTAMDAS THAKOREDAS,

Vice-Chairman.

(Sd.) JAYASUKHLAL K. MEHTA,

Secretary.

APPENDIX M.

No. 718—12.

COMMERCIAL INTELLIGENCE DEPARTMENT, INDIA.

Calcutta, the 3rd February, 1910.

From

FREDERICK NOEL-PATON, ESQ.,
Director-General of Commercial Intelligence.

To

THE SECRETARY,
Indian Merchants' Chamber and Bureau,
Bombay.

SIR,—Up to three years ago the *Annual Review of the Trade of India*, published by this Department, showed values in rupees only. It was then represented that the usefulness of the publication was injured by this practice, firstly because rupee figures are not readily understood by persons outside India, and secondly because rupee figures are not easily compared with those figures relating to the trade of other countries which are published in sterling in the Consular and other British official publications. As the *Review* is largely read abroad and is re-issued as a Parliamentary Paper, it was ordered that all sums should be shown in the *Review* in sterling as well as in rupee notation. The system has been in force for the last two years.

2. It is felt, however, that it has certain disadvantages. It injures the appearance of the publication and possibly makes its perusal an effort to the public. It causes congestion in the tabular statements. It, therefore, necessitates curtailment of the number of past years for which comparative figures can be given. It increases the bulk of the volume and considerably delays its preparation and issue.

3. It is believed that readers of the *Review* are not accustomed to sterling notation as applied to large sums of money, and that they would welcome such simplification as would be brought about by the omission of the rupee figures from the publication. I shall be indebted if you will favour me with an early expression of the opinion of your Chamber upon the expediency of making the change proposed.

I have the honour to be,
Sir,
Your most obedient servant,
F. NOEL-PATON,

77-79, APOLLO STREET,
Bombay, 21st February, 1910.

To

THE DIRECTOR-GENERAL OF
COMMERCIAL INTELLIGENCE,
Calcutta.

SIR,—I beg to write to you on behalf of the Committee of this Chamber that your letter was duly considered by them and that they are of opinion that both the Rupee and Sterling figures ought to be retained in the *Annual Review of Trade of India*.

In fact my Committee think that the majority of readers of the *Review* are Indian merchants who will be seriously inconvenienced if the Rupee figures do not appear therein.

My Committee do not believe that Indian merchants have not been accustomed to Sterling Notation as to make it possible for the Government to dispense with the Rupee Notation altogether.

My Committee therefore beg to hope the present system will be continued in future.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) JAYASUKHLAL K. METHA,

Secretary.

APPENDIX N.

77-79, APOLLO STREET,

Bombay, 2nd March, 1910.

Copy of the telegram sent by the Hon'ble Mr. Manmohandas Ramji, Chairman of the Indian Merchants' Chamber and Bureau to the Hon'ble Sir Guy Fleetwood Wilson, Finance Member, Government of India.

"This Chamber respectfully begs to enter its emphatic protest against the proposed enhanced duty on silver as highly prejudicial to large staple industries, cripple India's Trade with the Far East, dislocate the balance of trade which now helps considerably to meet Home Remittances and otherwise render no little injury to the masses, the Chamber prays that the duty on silver be allowed to stand at 5 °/₀ as at present.

The Chamber are further of opinion that it is highly impolitic and inadvisable to tax a necessary daily article of much universal domestic consumption as Petroleum. It suggests that if commodities of luxury are to be taxed an enhanced duty on sugar will be exceedingly practical and wholly unobjectionable."

No. 1155-A.

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT.

Calcutta, the 5th March, 1910.

From

J. E. C. JUKES, ESQ., I.C.S.,

Under Secretary to the Government of India,

To

THE CHAIRMAN,

Indian Merchants' Chamber and Bureau,

Bombay.

SIR,—I am directed to acknowledge the receipt of your telegram dated the 2nd March, 1910, regarding the proposed imposition of enhanced duty on silver and to say that it will be submitted for the consideration of the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

J. E. C. JUKES,

for Under Secretary to the Govt. of India.

APPENDIX O.

No. 1898 of 1910.

GENERAL DEPARTMENT,

Bombay Castle, 22nd April, 1910.

To

THE SECRETARY,

The Indian Merchants' Chamber and Bureau,

Bombay.

SIR,—I am directed by the Governor in Council to forward a copy of a Bill to amend the law relating to the protection of Inventions and Designs, with the Statement of Objects and Reasons, and to request that you will be so good as to favour Government with the opinion of the Chamber on the provisions of the Bill by the 15th June next at the latest.

I have the honour to be,

Sir,

Your most obedient servant,

J. M. ANTIA,

for Secretary to Government.

STATEMENT OF OBJECTS AND REASONS.

THE Inventions and Designs Act V of 1888, now in force, is based in all material respects as regards inventions on the previous Act, XV of 1859, which, in turn, was practically a repetition of Act VI of 1856. This, the earliest Act in India, was founded on the English Patent Law of 1852 contained in the Statute 16 & 17 Vict., c. 115.

2. Under the Statute of 1852 a patent was granted subject to the subsequent filing of a specification, but under the Indian Act, of 1859 an advance in procedure was made in that the exclusive privilege, which is the Indian equivalent to a patent only accrued when a specification was filed. By the later Statute of 1883 (46 & 47 Vict., c. 57) the patent was not granted until after the acceptance of a correct specification and the absence or failure of opposition by interested parties; and this procedure is still followed in the English law which is contained in the Patents and Designs Act, 1907 (7 Edw. 7, c. 29).

3. Although the Indian Act of 1888 was passed five years after the United Kingdom Statute of 1883, it was felt that the time was not yet ripe in this country for introducing the English practice in its entirety as the volume of patent work was then small. Now, however, that it is growing and is likely to do so at a much greater rate in the future, it is thought advisable to bring the practice in this country more into conformity with that of the United Kingdom, thereby following the example of most of the other British possessions. By postponing action until now it has been possible to take advantage of the consolidation of the English Statutes which the Patents and Designs Act, 1907, has effected. The present appears therefore to be a very opportune time for undertaking legislation in India.

4. The existing procedure in India under the Inventions and Designs Act, 1888, for obtaining an exclusive privilege is somewhat as follows. The inventor submits to the Governor General in Council an application accompanied by the prescribed fee and containing a description of the invention. The title of the invention is notified in the Gazette of India, and after examination by the Secretary under the Act for formal matters, the application is exposed to public inspection in the Secretary's Office for ten days, so that any member of the public may have an opportunity of objecting to the grant of leave to file the specification. The application is then further examined by the Secretary more closely to see whether it complies in all respects with the Act and also, where possible, to see whether the invention is novel. Any objections are also considered by him at this stage. If he finds that the application is in order, leave to file a specification is granted, subject generally to conditions in the case of inventors who are Government servants. Within a period of six months (which may on permission be extended to nine months) the applicant, if he desires to obtain an exclusive privilege, must file six copies of a specification together with a second fee. The specification is then examined by the Secretary to see whether it is substantially identical with the description, drawings and claims in the application. As soon as this identity is secured, the specification is notified as filed as from the date on which it was first received, and the exclusive privilege accrues from that date. Subject to the payment of further fees, the exclusive privilege may endure for fourteen years, or even with permission for a longer period, but it ceases if any corresponding English or foreign patent lapses.

5. Under the above procedure the public have no proper opportunity of objecting to the grant, as merely a single manuscript copy of the application, which often contains an imperfect description, is available for inspection in Calcutta only during a very limited period. Subsequently, though the

exclusive privilege may on application to the High Court be revoked on various grounds, including invalidity and non-novelty, these grounds—which are the natural grounds of defence—cannot, except in certain special cases, be pleaded by an alleged infringer as a defence to a suit by an inventor for infringement of his exclusive privilege. For the sake both of the inventor and the public it is desirable that the procedure should be simplified and made more direct and effective, not only in regard to the grant of patents but also in respect of their subsequent existence and operation. Further, it seems expedient that the dependence of Indian rights on foreign patents should cease.

6. By the Bill as proposed the method of obtaining a patent for an invention will consist of the following stages:—

(*a*) submission of application and specification at the same time, together with the prescribed fee;

(*b*) acceptance of the application after complete examination within nine or twelve months;

(*c*) publication of documents after such acceptance;

(*d*) interval of three months for submission of objections to grant;

(*e*) grant of patent, after objections (if any) have been disposed of, on payment of the prescribed fee.

The public will thus be protected by increasing the facilities for opposition at an effective period, while the applicant will be enabled to restrict his claim to what appears to be more properly his invention, thus obviating to some degree his risks in subsequent infringement or revocation proceedings. The applicant will further be protected as his application will be kept secret, which it is not at present, until acceptance,

7. The following further improvements in the law proposed by the Bill may here be enumerated:—

(*a*) Patents will not lapse on cessation of foreign patents.

(*b*) Patents will be granted as being more suitable for commercial purposes than the present certificates that specifications have been filed and fees paid.

(*c*) Proprietorship of patents and designs will be more fully recorded.

(*d*) Amendment of applications and specifications will be facilitated and opposition thereto by the public will be permissible as in the case of the original applications.

(*e*) Defendants in infringement suits will be allowed in all cases to use the natural ground of defence by pleading non-validity and non-novelty of the patent.

(*f*) Validity of patents will be certified in certain cases to give protection against wilful infringers.

(*g*) Threats of legal proceedings will be actionable unless the patentee proceeds diligently with an infringement suit.

(*h*) Anomalies in respect of British inventors will be removed and arrangements will be made for the mutual protection of inventions and designs between India and other British possessions and between Indian and Foreign States.

(*i*) Compulsory licenses for the working of inventions will be obtainable on more clearly defined and broadened grounds than formerly.

(*j*) Surrender of patents and restoration of ceased patents will be permissible.

(*k*) The law as to designs, which now follows the Statute of 1883, will be brought into line with the Statute of 1907.

(*l*) Finally, a Controller of Patents and Designs will be established, with power to dispose of many matters which are at present referred to the Governor General in Council.

8. Generally speaking, the provisons of the Bill follow with the necessary modifications those of the Inventions and Designs Act, 1907, only such provisions of the Act of 1888 being retained as appear necessary to meet the special conditions of India. It is hoped that the proposals contained in the Bill will enable the attainment of the double object of encouraging the inventor and of giving more effective protection both to him and to the public.

9. The more important alterations in the existing law proposed by the Bill are explained in the *Notes on Clauses* below, and two Tables, showing the extent to which the provisions of the Act of 1888 and the Statute of 1907 have been adopted in the Bill, are appended.

B. ROBERTSON.

The 21st March, 1910.

Notes on Clauses.

Clause 2.—The definition of "design" in sub-clause (*5*) follows the Statute of 1907, but in order to prevent misconception words have been added expressly excluding trade and property marks.

Clause 3.—Sub-clauses (*1*), (*2*) and (*3*) reproduce the corresponding clauses of section 1 of the Statute with the modification that, as at present under the Indian Act, the true and first inventor need not be a party to the application. But when the application is made by the legal representative or assignee of the true and first inventor, sub-clause (*4*), which is new, requires that his name, etc., must be disclosed in order that his position and interests may be safeguarded.

Clause 4.—Sub-clauses (*1*), (*2*) and (*3*) of this clause are based on section 2 of the Statute save that a single specification only is required. The permissible provisional specification of the Statute followed by the complete specification, and the preliminary description in the application under the Act followed by the substantially identical description in the speci fication, are thus consolidated into a single step. Sub-clause (*4*), which reproduces section 5, sub-section (4), of the Act, adds to the present power of calling for models, which is seldom exercised, a further power of calling for samples which seems necessary.

Clause 5.—By this clause the Controller is empowered to require amendment of the documents after examination and to ensure as far as possible that the invention is properly described and claimed and is novel. Under the present Act, lack of novelty, discoverable by any means whatsoever, is taken as a ground of objection to the grant. Under the Statute (section 7 and 8) certain definite grounds on which a search for novelty may be made are laid down, but it has not been thought advisable to prescribe any similar limitations in the

Bill. Instead, in the interest both of the inventor and of the public, by sub-clause (*1*) (*e*) a free hand is given to the Controller to take into consideration any source of information which bears upon the novelty of the invention. By sub-clause (*4*), an application must in ordinary circumstances be accepted within nine months. From the experience of the Patent Office in India and from the time allowed for completing applications in the United Kingdom, this period, with a permissible extension of three months, is thought to be sufficient.

Clause 7.— The rights of the applicant prior to the grant of a patent are defined in terms of sections 4 and 10 of the Statute. At present the rights of the applicant before obtaining an exclusive privilege are not defined in the Act.

Clause 8 is a reproduction of section 6 (*1*), (*2*) of the Act with some modifications, but the inquiry for which it provides is postponed from the date of the application until after the date of acceptance of the application.

Clause 9.—Facilities for opposition by the public are here, following section 11 of the Statute, definitely given, and the inventor and opponent are afforded opportunities of being heard.

Clause 10, following section 12 of the Statute, provides for the grant and sealing of a patent when the application has been successfully carried through the previous stages. It is not until this point is reached that the applicant need decide finally whether he desires a patent. If he does so, and not until then, a second fee has to be paid within the prescribed time.

Clause 11.—Under this clause, which follows section 13 of the Statute, the patent dates from the day of application. Under the Act the exclusive privilege dates from the filing of the specification, which may be from one to twelve months or

more after the application, and during that period the protection (if any) enjoyed by the inventor is not defined. By taking this risk and unduly delaying action the applicant under the Act is enabled to defer the date of protection for an indefinite time. This is considered to be unfair to the public, so the English practice has been adopted in the Bill. It may be remarked that the same change has recently been made in Ceylon.

Clause 12.—Instead of a certificate that the fees have been paid and a specification has been filed, which is at present granted under the Act, the Bill provides for a patent bearing a seal. It is believed that a formal patent will be of greater value commercially, and there seems no reason why the term "patent" should not be used in India as in other parts of the world. The rights under a patent are defined in the same terms as the exclusive privilege in section 8 of the Act, that is, of making, selling and using the invention throughout British India and of authorizing others so to do."

Clause 13.—Fraudulent applications are dealt with in this clause on the lines of section 15 of the Statute: the second sub-clause may be compared with section 38 of the Act.

Clause 14.—The term of the patent, as in the case of the exclusive privilege under the Act, is declared to be 14 years.

Clause 15.—Extensions of patents beyond fourteen years are, as at present, provided for by this clause, but provision is also made for notifying any application for extension to the public so that opposition may be entered. Under the Act no notification is given of these applications.

Clause 16.—Provision is made for the restoration of ceased patent.

Clause 17.—More liberal provision than at present exists is made in this clause for amendment of applications and specifications. Applications under this clause are dealt with in respect of advertisement and opposition on the same lines as an accepted application for a patent.

Clause 18.—Although amendments will generally be dealt with by the Patent Office, power is here reserved, as in section 22 of the Statute, to the Court to allow disclaimers, so as to expedite the proceedings in any suit or petition.

Clause 20, which is a reproduction of section 28 of the Statute, provides more fully than is done by sections 12 and 13 of the Act for recording all transactions in patents. An addition has been made to sub-clause (4), taken from section 49 of the Indian Registration Act, 1908, for enforcing the supply of copies of documents.

Clause 21.—Though this clause, which corresponds to section 17 of the Act, has been somewhat abbreviated, no material alteration has been made in the law as to the relation of the Crown to patents. The power to impose conditions is now provided for in the different appropriate clauses, namely, 10 (1), 15, (6), 17 (5), instead of in a separate clause as is done in section 16 of the Act.

Clause 22.—Compulsory licenses can be acquired under section 43 of the Act by application to the Governor General in Council, who can refer the matter to the Courts. Though little or no use was ever made of this section, it has been thought advisable to retain and extend it. In the main the lines of section 24 of the Statute have been followed with the necessary modifications of machinery to adapt the section to the circumstances of India.

Clause 23.—This clause, which is taken from section 26 (3) of the Statute, is new and provides for the surrender of patents,

Clause 25.—Sub-clause (1) of this clause, which relates to petitions to the High Court for revocation of patents, consolidates sections 30 and 31 of the Act. Sub-clause (2) applies to India the rules laid down in section 25, sub-section (3), of the Statute as to the persons by whom petitions for revocation of patents may be presented. In the United Kingdom a new provision for the revocation of patents worked outside the Kingdom has been added, by section 27 of the Statute, to the former provisions for compulsory licenses or revocation, which were not much utilised owing to delay, expense and other difficulties. In India it is thought, however, that the time is not yet ripe for the introduction of a similar provision. Clause 22 of the Bill, which provides a simple, cheap and effective method of procedure in case the owner of a patent is obstructive, and clause 25, which provides for a direct resort to the High Court when this course is thought preferable, would seem to be sufficient for the needs of this country.

Clause 28 corresponds to section 29 of the Act, but in place of sub-sections (2) to (4) a new provision [sub-clause (2)] has been substituted, stating grounds of defence to an infringement suit and thus abrogating the somewhat arbitrary restrictions at present imposed by the Act. It has been thought well to permit such suits still to be brought in the District Court for the sake of convenience and expense.

Clause 29, which is taken from section 33 of the Statute and is new, protects persons infringing patent rights in ignorance of their existence.

Clauses 30 and 31 are both new, being taken from sections 34 and 35 of the Statute. They empower the Courts to issue certain orders in infringement suits and to grant certificates of validity of patents which may be used for purposes of costs in subsequent suits in the Court granting them.

Clauses 34 and 35, which provide respectively for assessors to assist the Courts if required, and for a remedy by way of suit for groundless threats, are taken from sections 31 and 36 of the Statute and are new.

Clause 36 is taken from section 37 of the Statute, which abolishes the exclusive right of survivorship hitherto enjoyed by patentees in England. It declares patentees to be joint tenants and defines their respective rights. The introduction of a similar rule in India seems desirable.

Clause 37.—Sub-clauses (1) (*a*) and (2) reproduce with some modifications the existing law as contained in sections 21 and 22 of the Act. Sub-clause (1) (*b*) is new and introduces a fresh condition to allow limited secret or experimental user without affecting the novelty of the invention.

Clauses 38 (*Loss or destruction of patent*), *39* (*Exhibitions*), *40* (*Models to the Indian Museums*) *and 41* (*Foreign vessels in British Indian waters*) are taken from sections 44, 45, 47 (2) and 48 of the Statute respectively. With the exception of clause 39, which is an extension of section 26 of the Act, they are all new, and seem suitable for adoption in India.

Part II.—Designs.

Clauses 42-53.—As regards designs the Bill generally follows the Statute except that the power of the Controller to revoke registration of designs given by section 58 of the Statute has been omitted. The chief change proposed in the present law, as contained in the Act, is that protection may be extended from five to ten or fifteen years.

Part III.—General.

Clauses 54 and 55 are taken from sections 62 and 63 of the Statute. They provide for the establishment of a Patent Office under a Controller with a seal and a suitable staff.

Clause 56, providing for fees, reproduces and consolidates sections 48 and 62 of the Act on the lines of section 65 of the Statute.

Clauses 57-63.—These provisions as to registers and documents generally follow sections 66 to 72 of the Statute. The second part of section 68 of the Statute has been omitted in view of the provisions of sections 123-124 of the Indian Evidence Act, 1872.

Clause 64.—This clause, which is analogous to section 77 of the Statute, will give to the Controller certain powers of a Civil Court for the purpose of hearing cases such, for example, as oppositions under clause 9.

Clauses 65-67, which are taken from sections 73, 74 and 75 of the Statute, are new and define the powers and duties of the Controller.

Clause 68, which is new, regulates the procedure in appeals from the Controller to the Governor General in Council. In the Act the Governor General in Council is the final authority in respect of the grant of patent rights and cognate matters, and is so left by the Bill, though all such matters will in future be dealt with by the Controller in the first instance.

Clause 69, which is taken from section 78 of the Statute, gives evidential value to the certificate of the Controller in regard to certain matters.

Clauses 71 and 72, dealing with the sending of notices by post and declarations of infants and other persons under disability, are taken from sections 81 and 83 of the Statute.

Clauses 73 and 74.—These clauses, which correspond to sections 45 to 47 of the Act, require the more important applications and notices to be signed and verified by the person chiefly interested, while they permit subsequent action

to be conducted by an agent. Sub-clause (2) of clause 74 is new and confers on the Controller certain powers as to requiring the employment of such agents and the personal signature or presence of interested persons.

Clause 75.—The rule-making power conferred by section 49 of the Act on the Governor General in Council has been expanded on the lines of the similar provision contained in section 86 of the Statute.

Clause 76.—As regards offences the provisions of section 89 (5) of the Statute are followed in this clause with such modifications as are required by Indian law. Sub-section (1) of section 89 is omitted as falsification of registers, etc., is already dealt with in Chapter XVIII of the Penal Code.

Clause 77.—The international and colonial arrangements for which this clause provides follow the colonial form corresponding to section 91 of the Statute and replace the present procedure under section 24 and 25 of the Act. In the working of those sections many anomalies have been discovered, and they afford to the Indian inventor no equivalent for the advantages given to the British applicant or patentee. It is hoped that arrangements may be made with the Home Government to bring this clause into force as soon as possible after the Bill becomes law.

Clause 78.—This clause, which saves the prerogative of the Crown, is reproduced from section 97 of the Statute.

Clauses 79 and 80 provide for the repeal of the Inventions and Designs Act, 1888, and for the conversion of exclusive privileges under that Act into patents under the proposed new Act.

The Schedule.

"In the Table of Fees set out in the schedule a number of the least important fees contained in the present Tables have been omitted, as it seems preferable to leave them to be fixed by rules. Save in the case of the fee for sealing a patent, corresponding to the present fee for filing a specification, which it is proposed to raise from Rs. 30 to Rs. 50, no alteration has been made in the amount of the existing fees.

I.

Comparative Table shewing extent to which provisions of the Inventions and Designs Act, 1888 (Act V of 1888), have been adopted in Bill.

Section of Act V of 1888.	Clause of Bill.	Remarks.
1	*cf.* 1	
2(1)and(2)	79	See also General Clauses Act, 1897, section 6.
(3)	Omitted	Ditto. section 8.
3	Omitted	
4 (1)	*cf.* 2 (8)	
(2)	Omitted	Unnecessary : see clause 3.
(3)	Omitted	Ditto.
(4)	Omitted	Ditto.
(5)	Omitted	Ditto.
(6)	2 (10)	
(7)	Omitted	See General Clauses Act, 1897, section 3 (58).
(8)	Omitted	Replaced by clause 2 (3).
(9)	*cf.* 2 (6)	
(10)	*cf.* 2 (7)	
5 (1)	*cf.* 3 (1)	Corresponding provisions of the Statute adapted.
(2)	(2)	
(3)	(3)	

Section of Act V of 1888.	Clause of Bill.	Remarks.
(4)	*cf.* 4 (4)	
6 (1—2)	*cf.* 8	
(3—7)	Omitted	
7	Omitted	Unnecessary.
8 (1)	*cf.* 12 (1), 14 (1)	
(2)	14 (2)	
(3)		
(4) (*a*)		
(4) (*b*)	14 (3)	
9 (1)	*cf.* 4 (1)	
(2)	Omitted	Unnecessary.
(3)	*cf.* 4 (1)	
10	*cf.* 3 (2)	
11 (1)	Omitted	To be provided for by rules; see clause 75 (1) (*c*).
(2)	70	
(3)		
12 (1)	*cf.* 20 (1)	
(2)	Omitted	To be provided for by rules; see clause 75 (1) (*a*).

Section of Act V of 1888.	Clause of Bill.	Remarks.
13 (1), (2), (3)	*cf.* 20 (1)	
14 (1)	*cf.* 58	
(2)	20 (2)	
15	*cf.* 15	
16	See 10 (1), 15 (6), 21.	
17	21	
18	*cf.* 17	
19	*cf.* 19	
20	Omitted	See clause 25.
21	*cf.* 37 (1)	
22	37 (2)	
23	Omitted	See clause 37 (1) (*b*).
24, 25	Omitted	Replaced by clause 77.
26	*cf.* 39	Extended to U. K. form.
27 (1)	*cf.* 24	
(2)	Omitted	
28	Omitted	

Section of Act V. of 1888.	Clause of Bill.	Remarks.
29 (1)	28 (1)	
(2)	Omitted	English practice substituted; see clause 28 (2).
// (3)		
(4)		
30	*cf.* 25 (1)	
31		
32	25 (3)	
33	Omitted	Unnecessary.
34 (1)	26 (1)	
(2)	(2)	
35	27	
36 (1)	*cf.* 25 (1)	
(2)		
(3)	*cf.* 18, 19	
(4)		
(5)	*cf* 25 (1*f*)	
37	Omitted	Unnecessary.
38	*cf* 13 (2)	Corresponding provision of Statute adopted.
39	32	
40	*cf.* 20 (1)	

Section of Act V. of 1888.	Clause of Bill.	Remarks.
41 (1)	63 (1)	
(2)	(4)	
(3)	Omitted.	
42	*cf.* 33, 63 (5)	
43	*cf.* 22	Corresponding provision of Statute adapted.
44	Omitted.	Unnecessary.
45	73	
46	74	
47		
48 (1)	56 (1)	
(2)		
(3)		
(4)	56 (2)	
49	*cf.* 75	
	Designs.	
50 (1)	*cf.* 2 (5)	
(2)	*cf.* 2 (4)	
(3)	*cf.* 2 (14)	
(4)	*cf.* 2 (3), (6), (7)	

Section of Act V. of 1888.	Clause of Bill.	Remarks.
51 (1)	*cf.* 42 (1)	Corresponding provision of Statute adopted.
(2)	(2)	
" (3)		
52 (1)	*cf.* 42 (1)	Ditto ditto.
(2)	*cf.* 45 (1)	
(3)		
53	*cf.* 46	Ditto ditto.
54	*cf.* 47 (1) (*b*)	
55	*cf.* 51	Ditto ditto.
56	*cf.* 45	
57 (1)	*cf.* 52 (1)	Corresponding provisions of Statute adopted.
(2)	(3)	
58	*cf.* 45 (1)	
59 (1)	*cf.* 63 (1)	Corresponding provisions of Statute substituted.
(2)		
(3)	*cf.* (4)	
(4)	Omitted.	

Section of Act V of 1888.	Clause of Bill.	Remarks.
60	63 (5)	
61 (*a*)	*cf.* 70	
(*b*)	*cf.* 58, 69	
(*c*)	*cf.* 73, 74	
62	56	
63	75	

II

Comparative Table shewing extent to which provisions of the Patents and Designs Act, 1907 (7 Edw. 7, c 29), have been adopted in Bill.

Section of 7 Edw. 7, c, 29.	Clause of Bill.	Remarks.
1 (1) (2) (3)	*cf.* (31) (2) (3)	See section 5 of Act V of 1888.
1 (4)	Omitted	
2	*cf.* 4	Provisions as to provisional specification omitted.
3 (1) (2) (3)	*cf.* 5 (1) (2); 8	
3 (4)	See 6	
4	*cf.* 7	Proviso taken from section 10.
5	Omitted	Unnecessary.
6 (1) (2) (4) (5)	*cf.* 5 (1) (2) (4); 8	
6 (3)	Omitted	Unnecessary.
7	*cf.* 5 (1*e*) (2) (3)	
8	Omitted	Unnecessary.
9	6	
10	*cf.* 7	
11	*cf.* 9	
12	10	
13	11	

Section of 7 Edw. 7, c, 29.	Clause of Bill.	REMARKS.
14	12	Proviso omitted.
15	13	
16	Omitted	Unnecessary.
17	14	
18 (1) (2)	15 (1) (2)	
18 (3) (4) (5)	*cf.* 15 (4) (5) (6)	Provisions of Act V of 1888 modified.
19	Omitted	
20	16	
21	*cf.* 17	
22	18	
23	19	
24	22	
25 (1)	*cf.* 25 (1)	
25 (2)	*cf.* 28 (2)	
25 (3)	*cf.* 25 (3)	
26	Omitted	
27	Omitted	
28	*cf.* 20	
29	*cf.* 21	
30	Omitted.	

Section of 7 Edw. 7, c, 29.	Clause of Bill.	Remarks.
31	34	
32	Omitted.	
33	29	
34	30	
35	31	
36	35	
37	36	
38	Omitted.	
39	Omitted.	
40	Omitted.	Unnecessary.
41	*cl.* 37	Provisions of Act V of 1888 retained.
42	Omitted.	Not applicable.
43	*cl.* 3	
44	38	
45	39	
46	Omitted.	
47 (1)	Omitted.	Unnecessary..
47 (2)	*cl.* 40	
48	41	

Section of 7 Edw. 7. c, 29.	Clause of Bill.	Remarks.
Designs.		
49	42	
50	43	
51	44	
52	45	
53	46	
54	47	
55	48	
56	49	
57	50	
58	Omitted.	
59	51	
60	52	
61	53	
General.		
62	54	
63	55	
64	Omitted.	Unnecessary.
65	56 (1)	

Section of 7 Edw. 7. c, 29.	Clause of Bill.	Remarks.
66	57	
67	58	
68	*cf.* 59	
69	60	
70	61	
71	62	
72	63 (1) (2) (3) (4)	
73	65	
74	66	
75	67	
76	Omitted.	Unnecessary.
77	*cf.* 64	
78	69	
79	Omitted.	Unnecessary.
80	*cf.* 70	
81	71	
82	Omitted.	See General Clauses Act, 1897, section 10.
83	72	

Section of 7 Edw. 7, c, 29.	Clause of Bill.	Remarks.
84, 85	Omitted.	
86, 87, 88	*cf.* 75	
89 (1) (2) (3) (4)	Omitted.	
89 (5)	76	
90	Omitted.	
91	*cf.* 77	
92	Omitted.	Unnecessary.
93	*cf.* 2	
94, 95, 96	Omitted.	Not applicable.
97	78	
98	*cf.* 79	
99	*cf.* 1	

THE INDIAN PATENTS AND DESIGNS BILL.

CONTENTS.

PRELIMINARY.

CLAUSES.

1. Short title, extent and commencement.
2. Definitions.

PART I.

PATENTS.

Application for and Grant of Patent.

3. Application.
4. Specification.
5. Proceedings upon application.
6. Advertisement on acceptance of application.
7. Use of invention on acceptance of application.
8. Inquiry before sealing patent.
9. Opposition to grant of patent.
10. Grant and sealing of patent.
11. Date of patent.
12. Effect, extent and form of patent.
13. Fraudulent applications for patents.

Term of Patent.

14. Term of Patent.
15. Extension of term of patent.
16. Restoration of lapsed patent.

Amendment of Application or Specification.

17. Amendment of application or specification by Controller.
18. Amendment of specification by the Court.
19. Restriction on recovery of damages.

Register of Patents.

20. Register of patents.

Crown.

21. Patent to bind Crown.

Compulsory Licenses and Revocation.

22. Compulsory licenses and revocation.
23. Power of Controller to revoke surrendered patent.
24. Revocation of patent on public grounds.

Legal Proceedings.

25. Petition for revocation of Patent.
26. Notice of proceedings to persons interested.
27. Framing issue for trial before other Courts.
28. Suits for infringement of patents.
29 Exemption of innocent infringer from liability for damages.
30. Order for inspection, etc., in suit
31. Certificate of validity questioned and costs thereon.
32. Transmission of decrees and orders to the Controller.
33. Power of High Court to stay proceedings, etc.
34. Hearing with assessor.

35. Remedy in case of groundless threats of legal proceedings.

Miscellaneous.

36. Grant of patents to two or more persons.
37. Novelty of invention.
38. Loss or destruction of patent.
39. Provisions as to exhibitions.
40. Models to be furnished to Indian Museum.
41. Foreign vessels in British Indian waters.

PART II.

DESIGNS.

Registration of Designs.

42. Application for registration of designs.
43. Registration of designs in new classes.
44. Certificate of registration.
45. Register of designs.

Copyright in Registered Designs.

46 Copyright on registration.
47. Requirements before delivery on sale.
48. Effect of disclosure on copyright.
49. Inspection of registered designs.
50. Information as to existence of copyright.

Industrial and International Exhibitions.

51. Provisions as to exhibitions.

Legal Proceedings.

52. Piracy of registered design.
53. Application of certain provisions of the Act as to patents to designs.

PART III.

GENERAL.

Patent Office and Proceedings thereat.

54. Patent Office.
55. Officers and clerks.

Fees.

56. Fees.

Provisions as to Registers and other Documents in the Patent Office.

57. Trust not to be entered in registers.
58. Inspection of and extracts from register.
59. Privilege of reports of Controller.
60. Prohibition of publication of specification, drawings, etc., where application abandoned, etc.
61. Power for Controller to correct clerical errors.
62. Entry of assignments and transmissions in registers.
63. Rectification of register by Court.

Powers and Duties of Controller.

64. Powers of Controller in proceedings under Act.
65. Exercise of discretionary power by Controller.

66. Power of Controller to take directions of Governor General in Council.

67. Refusal to grant patent, etc., in certain cases.

68. Appeals to the Governor General in Council.

Evidence, etc.

69. Certificate of Controller to be evidence.

70. Transmission of certified printed copies of specifications, etc.

71. Applications and notices by post

72. Declaration by infant, lunatic, etc.

Agency.

73. Subscription and verification of certain documents.

74. Agency.

Powers, etc., of Governor General in Council.

75. Power for Governor General in Council to make rules.

Offences.

76. Wrongful use of words "Patent Office".

International and Colonial Arrangements.

77. International and Colonial arrangements.

Savings and Repeal.

78. Saving for prerogative.

79. Repeal.

80. Substitution of patents for rights under repealed Act.

THE SCHEDULE.—FEES.

A

BILL

TO

Amend the law relating to the protection of Inventions and Designs.

WHEREAS it is expedient to amend the law relating to the protection of inventions and designs; It is hereby enacted as follows:—

PRELIMINARY

Short title, extent and commencement

I. (*1*) This Act may be called the Indian Patents and Designs Act, 19.

(*2*) It extends to the whole of British India (including British Baluchistan and the Santhal Parganas); and

(*3*) It shall come into force on the

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context,—

[New.] (*1*) "Advocate General" includes a Government Advocate:

[7 Edw. 7, c.29, s. 93.] (*2*) "articles" means (as respects designs) any article of manufacture and any substance artificial or natural, or partly artificial and partly natural:

[New.] (3) "Controller" means the Controller of Patents and Designs appointed under this Act:

[Edw. 7, c. 29 s. 93.] (4) "copyright" means the exclusive right to apply a design to any article in any class in which the design is registered:

[*Ibid*, s. 93.] (5) "design" means any design applicable to any article, whether the design is applicable for the pattern, or for the shape or configuration, or for the ornament thereof, or for any two or more of such purposes, and by whatever means it is applicable, whether by printing, painting, embroidering, weaving, sewing, modelling casting, embossing, engraving, staining, or any other means whatever, manual, mechanical or chemical, separate or combined, but does not include any trade or property mark as defined in sections 478 and 479 of the Indian Penal Code: XLV of 1860

[Act V, 1888, s. 4 (9).] (6) "District Court" has the meaning assigned to that expression by the Code of Civil Procedure, 1908: V of 1908.

[*Ibid*, s. 4 (10).] (7) "High Court" means the High Courts of Judicature at Fort William, Madras and Bombay, the High Court of Judicature for the North-Western Provinces, the Chief Court of the Punjab, and the Chief Court of Lower Burma, and such other Court as the Governor General in Council may, by notification in the Gazette of India, specify in this behalf:

[*Cf.* 7 Edw. 7, c. 29, s. 93.]

(*8*) "invention" means any manner of new manufacture and includes an improvement and an alleged invention:

[*Cf.* Act V, 1908. s. 2 (*11*).]

(*9*) "legal representative" means a person who in law represents the estate of a deceased person:

(*10*) "manufacture" includes any art, process or manner of producing, preparing or making an article, and also any article prepared or produced by manufacture: [Act V, 1888, s.4 (*6*).]

(*11*) "patent" means a patent granted under the provisions of this Act:

(*12*) "patentee" means the person for the time being entitled to the benefit of a patent: [New.] [7 Edw. 7, c. 29 s. 93.]

(*13*) "prescribed" means prescribed by rules under this Act: and [*Ibid*, s. 93.]

(*14*) "proprietor of a new and original design,"— [*Ibid*, s. 93.]

(*a*) where the author of the design for good consideration, executes the work for some other person, means the person for whom the design is so executed; and

(*b*) where any person acquires the design or the right to apply the design to any article, either exclusively of any other person or otherwise, means, in the respect and to the extent in and to which the design or right has been

so acquired, the person by whom the design or right is so acquired; and

(*c*) in any other case, means the author of the design:

and where the property in, or the right to apply, the design has devolved from the original proprietor upon any other person, includes that other person.

PART I

PATENTS

Application for and Grant of Patent.

Application. 3. (*1*) An application for a patent may be made by any person whether he is a British subject or not, and whether alone or jointly with any other person. [*Cf.* 7 Edw. 7, c. 29, s. 1, and Act V, 1888, s. 5.]

(*2*) The application must be made in the prescribed form, and must be left at the Patent Office in the prescribed manner.

(*3*) The application must contain a statement to the effect that the applicant is in possession of an invention, whereof he, or in the case of a joint application one at least of the applicants, claims to be the true and first inventor or the legal representative or assign of such inventor and for which he desires to obtain a patent, and must be accompanied by a specification and by the prescribed fee.

(4) Where the true and first inventor is not a party to the application, the application must contain a statement of his name, and such particulars for his identification as may be prescribed, and the applicant must show that he is the legal representative or assign of such inventor. [New]

[*Cf.* 7 Edw. 7, c. 29. s. 2.]

4. (1) The specification must particularly describe and ascertain the nature of the invention and the manner in which the same is to be performed.

Specification.

(2) Where the Controller deems it desirable he may require that suitable drawings shall be supplied with the specification, or at any time before the acceptance of the application, and such drawings shall be deemed to form part of the specification,

(3) The specification must commence with the title, and must end with a distinct statement of the invention claimed.

[*Cf.* Act V, 1888 c. 5 (4).]

(4) If in any particular case the Controller considers that an application should be further supplemented by a model or sample of anything illustrating the invention or alleged to constiute an invention, such model or sample as he may require shall be furnished before the acceptance of the application, but such model or sample shall not be deemed to form part of the specification.

[*Cf.* 7 Edw. 7, c. 29, s.3 (*1*),(2).]

5. (*1*) The Controller shall examine every application, and if he considers that— Proceedings upon application.

(*a*) the nature of the invention is not fairly described, or

(*b*) the application, specification and drawings have not been prepared in the prescribed manner or relate to more than one invention, or

(*c*) the title does not sufficiently indicate the subject-matter of the invention, or

(*d*) the statement of claim does not sufficiently define the invention, or

(*e*) the invention as described and claimed is *prima facie* not a new manufacture or improvement,

he may refuse to accept the application or require that the application specification or drawings be amended before he proceeds with the application; and in the latter case the application shall, if the Controller so directs bear date as from the time when the requirement is complied with.

(*2*) Where the Controller refuses to accept an application or requires an amendment the applicant *may appeal from*

his decision to the Governor General in Council.

[7 Edw. 7, c. 29, s. 7 (6).]

(3) The investigations required by this section shall not be held in any way to guarantee the validity of any patent, and no liability shall be incurred by the Governor General in Council or any officer by reason of, or in connection with, any such investigation, or any proceeding consequent thereon.

[Edw. 7, c. 29, s 6 (5).]

(4) Unless an application is accepted within nine months from the date of the application, the application shall (except where an appeal has been lodged) become void:

Provided that where an application is made for an extension of time for the acceptance of an application, the Controller shall, on payment of the prescribed fee, grant an extension of time to the extent applied for but not exceeding three months.

Advertisement on acceptance of application.

6. On the acceptance of an application the Controller shall give notice thereof to the applicant and shall advertise the acceptance; and the application and specifications with the drawings (if any) shall be open to public inspection. [*Cf.* 7 Edw. 7, c. 29, s. 9]

Use of invention on acceptance of application.

7. Where an application for a patent in respect of an invention has been accepted, the invention may, during the period between the date of application [*Cf.* 7 Edw. 7, c. 29, ss. 4 & 10.]

and the date of sealing such pattent, be used and published without prejudice to the patent to be granted for the invention:

Provided that an applicant shall not be entitled to institute any proceedings for infringement unless and until a patent for the invention has been granted to him.

Inquiry before sealing patent.

8. After acceptance of an application and before sealing a Patent the Controller may if he thinks it advisable or is directed so to do by the Governor General in Council, refer the specification for inquiry and report to any person whom he thinks fit. [*Cf.* Act V, 1888, s. 6.]

Opposition to grant of patent.

9. (*1*) Any person may, on payment of the prescribed fee, at any time within three months from the date of the advertisement of the acceptance of an application, give notice at the Patent Office of opposition to the grant of the patent on any of the following grounds, namely:— [*Cf.* 7 Edw. 7, c 29, s. 11.]

(*a*) that the applicant obtained the invention from him, or from a person of whom he is the legal representative or assign; or

(*b*) that the invention has been described or claimed in any specification filed in British

India which is or will be of prior date to the patent, the grant of which is opposed; or

(*c*) that the nature of the invention or the manner in which it is to be performed is not sufficiently or fairly described and ascertained in the specification; or

(*d*) that the invention has been publicly used in any part of British India or has been made publicly known in any part of British India; [*Cf.* Act V, 1888, s. 21.]

but on no other ground.

(*2*) Where such notice is given the Controller shall give notice of the opposition to the applicant and shall on the expiration of those three months, after hearing the applicant and the opponent, if desirous of being heard, decide on the case.

(*3*) *The decision of the Controller shall be subject to appeal to the Governor General in Council.*

Grant and sealing of patent.

10. (*1*) If there is no opposition, or, in case of opposition, if the determination is in favour of the grant of a patent, a patent shall on payment of the prescribed fee, be granted, subject to such conditions (if any) as the Governor General in Council thinks expedient, to the applicant, [*Cf.* 7 Edw. 7, c. 29, s. 12 Act V, 1888, s. 16.]

or in the case of a joint application to the applicants jointly, and the Controller shall cause the patent to be sealed with the seal of the Patent Office.

(2) A patent shall be sealed as soon as may be, and not after the expiration of fifteen months from the date of application:

Provided that,—

(*a*) where the Controllor has allowed an extension of the time within which an application may be accepted a further extension of four months after the said fifteen months shall be allowed for the sealing of the patent;

(*b*) where the sealing is delayed by an appeal to the Governor General in Council or by a reference under section 8 or by opposition to the grant of the patent, the patent may be sealed at such time as the Controller may direct;

(*c*) where the patent is granted to the legal representative of an applicant who has died before the expiration of the time which would otherwise be allowed for sealing the patent the patent

may be sealed at any time within twelve months after the date of his death;

(*d*) where in consequence of the neglect or fai lure of the applicant to pay any fee a patent cannot be sealed within the period allowed by this section, that period may, on payment of the prescribed fee and on compliance with the prescribed conditions be extended to such an extent as may be prescribed.

[7 Edw. 7, c. 29, s. 13.]

Date of patent.

11. Except as otherwise expressly provided by this Act, a patent shall be dated and sealed as of the date of the application:

Provided that no proceedings shall be taken in respect of an infringement committed before the publication of the specification.

[*Cf. ibid*, s. 14; Act V, 1888, s. 8 (*1*).]

Effect, extent and form of patent.

12. (*1*) A patent sealed with the seal of the Patent Office shall, subject to the other provisions of this Act, confer on the patentee the exclusive privilege of making, selling and using the invention throughout British India and of authorizing others so to do:

(*2*) Every patent may be in the prescribed form and shall be granted for one invention only, but the specification may contain more than one claim; and it shall not be competent for any person in a suit or other proceeding to take any objection to a patent on the ground that it has been granted for more than one invention.

[*Cf.* 7 Edw. 7, c. 29, s.15.]

13. (*1*) A patent granted to the true and first inventor or his legal representative or assign shall not be invalidated by an application in fraud of him, or by protection obtained thereon or by any use or publication of the invention subsequent to that fraudulent application during the period of protection.

Fraudulent applications for patents.

(*2*) Where a patent has been revoked on the ground of fraud, the Controller may, on the application of the true inventor or his legal representative or assign made in accordance with the provisions of this Act, grant to him a patent in lieu of and bearing the same date as the patent so revoked:

Provided that no suit shall be brough for any infringement of the patent so granted committed before the actual date when such patent was granted.

Term of Patent.

14. (*1*) The term limited in every patent for the duration thereof shall, save as otherwise expressly provided by this Act, be fourteen years from its date. [7 Edw. 7, c. 29, s. 17.]

Term of patent.

(*2*) A patent shall, notwithstanding anything therein or in this Act, cease if the patentee fails to pay the prescribed fees within the prescribed times:

Provided that the Controller, upon the application of the patentee, shall, on receipt of such additional fee as may be prescribed, enlarge the time to such an extent as may be applied for but not exceeding three months.

(3) If any proceeding is taken in respect of an infringement of the patent committed after a failure to pay any fee within the prescribed time, and before any enlargement thereof, the Court before which the proceeding is taken may, if it thinks fit, refuse to award any damages in respect of such infringement.

15. (*1*) A patentee may, after advertising in the prescribed manner his intention to do so, present a petition to the Governor General in Council praying that his patent may be extended for a further term; but such petition [*Ibid*, s. 18.]

Extension of term of patent.

must be left at the Patent Office at least six months before the time limited for the expiration of the patent and must be accompanied by the prescribed fee.

(*2*) Any person may give notice to the Controller of objection to the extension.

(*3*) Where a petition is presented under subsection (1), the Governor General in Council may, as he thinks fit, dispose of the petition himself or refer it to a High Court for decision. [*Cf.* Act V, 1888, s. 15.]

(*4*) If the petition be referred to a High Court, then on the hearing of such petition under this section the patentee and any person who has given notice under subsection (*2*) of objection, shall be made parties to the proceeding, and the Controller shall be entitled to appear and be heard.

(*5*) The Court to which the petition is referred shall, in considering its decision, have regard to the nature and merits of the invention in relation to the public, to the profits made by the patentee as such, and to all the circumstances of the case.

(*6*) If it appears to the Governor General in Council, or to the High Court when the petition has been referred to it, that the patentee has been inadequately remunerated by his patent, [*Cf.* Edw. 7, c. 29, s. 18 (*5*).]

the Governor General in Council or the High Court, as the case may be, may by order extend the term of the patent for a further term not exceeding seven or, in exceptional cases, fourteen years, or may order the grant of a new patent for such term as may be specified in the order and containing any restriction, conditions and provisions which the Governor General in Council or the High Court, as the case may be, may think fit:

Provided that any patent so extended or granted shall, notwithstanding anything therein or in this Act cease if the inventor fails to pay before the expiration of each year the prescribed fee.

[7 Edw. 7, c. 29, s. 20.]

Restoration of lapsed patent.

16. (*1*) Where any patent has ceased owing to the failure of the patentee to pay any prescribed fee within the prescribed time, the patentee may apply to the Controller in the prescribed manner for an order for the restoration of the patent.

(*2*) Every such application shall contain a statement of the circumstances which have led to the omission of the payment of the prescribed fee.

(*3*) If it appears from such statement that the omission was unintentional and that no undue delay has occurred in the making of the application, the Controller shall advertise the application in the

prescribed manner, and within such time as may be prescribed any person may give notice of opposition at the Patent Office.

(4) Where such notice is given, the Controller shall notify the applicant thereof.

(5) After the expiration of the prescribed period the Controller shall hear the case and, subject to an appeal to the Governor General in Council issue an order either restoring the patent or dismissing the application: Provided that in every order under this section restoring a patent such provisions as may be prescribed shall be inserted for the protection of persons who may have availed themselves of the subject-matter of the patent after the patent had ceased.

Amendment of application or specification

[*Ibid*, s. 21.] 17. (1) An applicant or a patentee may at any time, by request in writing left at the Patent Office, seek leave to amend his application or specification, including drawings forming part thereof, by way of disclaimer, correction or explanation, stating the nature of and the reasons for the proposed amendment.

Amendment of application or specification by Controller.

(2) If the application for a patent has not been accepted, the Controller shall determine whether and subject to what conditions (if any) the amendment shall be allowed,

(3) In any other case the request and the nature of the proposed amendment shall be advertised in the prescribed manner, and at any time within three months from its first advertisement any person may give notice at the Patent Office of opposition to the amendment.

(4) Where such a notice is given the Controller shall give notice of the opposition to the person making the request, and shall hear and decide the case.

(5) Where no notice of opposition is given, or the person so giving notice of opposition does not appear, the Controller shall determine whether and subject to what conditions, if any, the amendment ought to be allowed.

(6) The decision of the Controller in either case shall be subject to an appeal to the Governor General in Council.

(7) No amendment shall be allowed that would make the application or specification, as amended, claim an invention substantially larger than, or substantially different from, the invention claimed by the application or specification as it stood before amendment.

(8) Leave to amend shall be conclusive as to the right of the party to make the amendment allowed, except

in case of fraud; and the amendment shall be advertised in the prescribed manner, and shall in all Courts and for all purposes be deemed to form part of the application or specification.

(9) This section shall not apply when and so long as any suit for infringement or proceeding before a Court for the revocation of the patent is pending.

[7 Edw. 7, c. 29, s. 22.]

18. In any suit for infringement of a patent or proceeding before a Court for the revocation of a patent the Court may by order allow the patentee to amend his specification by way of disclaimer in such manner, and subject to such terms as to costs, advertisement or otherwise, as the Court may think fit.

Amendment of specification by the Court.

Provided that no amendment shall be so allowed that would make the specification, as amended, claim an invention substantially larger than, or substantially different from, the invention claimed by the specification as it sood before the amendment, and where an application for such an order is made to the Court notice of the application shall be given to the Controller, and the Controller shall have the right to appear and be heard.

19. Where an amendment of a specification by way of disclaimer, correction or explanation has been allowed under this Act, no damages shall be given in any suit in respect of the use of the invention before the disclaimer, correction or explanation unless the patentee establishes to the satisfaction of the Court that his original claim was framed in good faith and with reasonable still and knowledge. [*Ibid*, s. 23.]

Restriction on recovery of damages.

Register of Patents.

20. (*1*) There shall be kept at the Patents Office a book called the Register of Patents, wherein shall be entered the names and addresses of grantees of patents, notifications of assignments and of transmissions of patents, of licenses under patents, and of amendments, extensions and revocations of patents and such other matters affecting the validity or proprietorship of patents as may be prescribed. [*Ibid*, s. 28.

Register of Patents.

(*2*) The register of inventions and address book existing at the commencement of this Act shall be incorporated with and form part of the register of patents under this Act.

(*3*) The register of patents shall be *prima facie* evidence of any matters by this Act directed or authorised to be inserted therein.

(4) Copies of deeds, licenses and any other documents affecting the proprietorship in any patent or in any license thereunder, must be supplied to the Controller in the prescribed manner for filing in the Patent Office, and, unless such copies have been so supplied, such deeds, licenses or other documents shall not be received as evidence of any transaction affecting a patent.

[New: *cf.* Act XVI, 1908, s. 49.]

Crown.

21. Subject to any conditions which the Governor General in Council may have imposed, a patent shall have to all intents the like effect as against His Majesty as it has against a subject :

[*Cf.* 7 Edw. 7, c. 29, s. 29; & Act V, 1888, s. 17.]

Patent to bind Crown.

Provided that the officers or authorities administering any department of the service of His Majesty may by themselves, their agents, contractors or others, at any time after the application, use the invention for the services of the Crown, on such terms as may, either before or after the use thereof, be agreed on, with the approval of the Governor General in Council, between those officers or authorities and the patentee, or, in default of agreement, as may be settled by the Governor General in Council after hearing all parties interested.

Compulsory Licenses and Revocation.

[*Cf.* 7 Edw. 7, c. 29, s. 24; Act, V, 1888, s. 43.]

Compulsory license and revocation.

22. (*1*) Any person interested may present a petition to the Governor General in Council, which shall be left at the Patent Office, together with the prescribed fee, alleging that the reasonable requirements of the public with respect to a patented invention have not been satisfied, and praying for the grant of a compulsory license, or, in the alternative, for the revocation of the patent.

(2) The Governor General in Council shall consider the petition, and if the parties do not come to an arrangement between themselves the Governor General in Council, may, as he thinks fit, either dispose of the petition himself or refer it to a High Court for decision.

[New.] (3) The provisions of sub-section (4) of section 15, prescribing the procedure to be followed in the case of references to the Court under that section, shall apply in the case of references made to the Court under this section.

(*4*) If the Governor General in Council is of opinion, or, where a reference has been made under sub-section (2) to a High Court, that Court finds, that the reasonable requirements of the public with reference to the patented invention have not been satisfied, the patentee may be ordered to grant licenses on such terms as the Governor General in

Council or the High Court, as the case may be, may think just, or, if the Governor General in Council or the High Court is of opinion that the reasonable requirements of the public will not be satisfied by the grant of licenses, the patent may be revoked by order of the Governor General in Council or the High Court:

Provided that an order of revocation shall not be made before the expiration of four years from the date of the patent or if the patentee gives satisfactory reasons for his default.

(*5*) For the purposes of this section the reasonable requirements of the public shall not be deemed to have been satisfied

(*a*) if by reason of the default of the patentee to manufacture to an adequate extent and supply on reasonable terms the patented article, or any parts thereof which are necessary for its efficient working or to carry on the patented process to an adequate extent or to grant licenses on reasonable terms, any existing trade or industry or the establishment of any new trade or industry in British India, is unfairly prejudiced, or the

demand for the patented article produced by the patented process is not reasonably met; or

(*b*) if any trade or industry in British India is unfairly prejudiced by the conditions attached by the patentee before or after the commencement of this Act to the purchase, hire or use of the patented article or to the using or working of the patented process.

(*6*) An order of the Governor General in Council or of the High Court directing the grant of any license under this section shall, without prejudice to any other method of enforcement, operate as if it were embodied in a deed granting a license and made between the parties to the proceeding.

Power of Controller to revoke surrendered patent.

23. A patentee may at any time, by giving notice in the prescribed manner to the Controllor, offer to surrender his patent and Controller may, if after giving notice of the offer and hearing all parties who desire to be heard he thinks fit, accept the offer, and thereupon make an order for the revocation of the patent. [7 Edw. 7 c. 29, s. 26 (3).]

Revocation of patent on public ground.

24. A patent shall be deemed to be revoked if the Governor General in Council declares, by notification in the Gazette of [Act V, 1888, s. 27 (1).]

India, the patent or the mode in which it is exercised to be mischievous to the State or generally prejudicial to the public.

Legal Proceeedings.

Petition for revocation of patent.

25. (*1*) Revocation of a patent in whole or in part may be obtained on petition to a High Court on all or any of the following grounds, namely:— [Cf. 7 Edw. 7, c. 29, s. 25; Act V, 1888, ss. 30, 31.]

(*a*) that any invention included in the statement of claim is of no utility;

(*b*) that any invention included in the statement of claim was not, at the date of the application for a patent, a new invention within the meaning of this Act;

(*c*) that the applicant was not the inventor thereof or the assign or legal representative of the inventor thereof;

(*d*) that the original or any amended application or specification does not fulfil the requirements of this Act;

(*e*) that the applicant has knowingly or fraudulently included in the application for a patent or in the original or any amended

specification, as his invention, something which was not new or whereof he was neither the inventor nor the assign nor the legal representative of such inventor;

(*f*) that the original or any subsequent application relating to the invention, or the original or any amended specification, contains a wilful or fraudulent misstatement;

(*g*) that a part of the invention or the manner in which a part is to be made and used as described in the original or any amended specification is not thereby sufficiently described, and that this insufficiency was fraudulent and is injurious to the public.

[*Cf.* 7. Edw. 7, c. 29, s. 25 (3).]

(2) A petition for revocation of a patent may be presented—

(*a*) by the Advocate General or any person authorized by him; or

(*b*) by any person alleging—

(i) that the patent was obtained in fraud of his rights or of the rights of any person

under or through whom he claims; or

(ii) that he, or any person under or through whom he claims, was the true inventor of any invention included in the claim of the patentee; or

(iii) that he, or any person under or through whom he claims an interest in any, trade, business or manufacture, had publicly manufactured, used or sold, within British India before the date of the patent, anything claimed by the patentee as his invention.

[*Cf.* Act V, 1888, s. 32.] (*3*) The High Court may, irrespective of any provisions of the Code of Civil Procedure, 1908, in this behalf, require any person, other than the Advocate General or any person authorized by him, applying for the revocation of a patent to give security for the payment of all costs incurred or likely to be incurred by any person appearing to oppose the petition. V of 1908.

[Act V, 1888, s. 34.] 26. (*1*) Notice of any petition for revocation of a patent under section 25 shall be served on all persons appearing from the register to be pro-

Notice of proceedings to persons interested.

prietors of that patent or to have shares or interests therein, and it shall not be necessary to serve the notice on any other person.

(2) The notice shall be deemed to be sufficiently served if a copy thereof is sent by post in a registered letter directed to the person and place for the time being stated in the register.

Framing issue for trial before other Courts.

27. (1) A High Court may, if it thinks fit direct an issue for the trial, before itself or any other High Court or any District Court, of any question arising upon a petition to itself under section 25, and the issue shall be tried accordingly. [Act V, 1888, s. 35.]

(2) If the issue is directed to another Court, the finding shall be certified by that Court to the High Court directing the issue.

(3) If the issue is directed to a District Court, the finding of that Court shall not be subject to appeal, but the evidence taken upon the trial shall be recorded and a copy thereof, certified by the Judge of the Court, shall be transmitted, together with any remarks which he may think fit to make thereon, to the High Court directing the issue, and the High Court may thereupon act upon the finding of the District Court, or dispose of the petition upon the evidence

recorded, or direct a new trial, as the justice of the case may require.

Suits for infringement of patent.

28. (*1*) A patentee may institute a suit in a District Court having jurisdiction to try the suit against any person who, during the continuance of a patent acquired by him under this act in respect of an invention, makes sells or uses the invention without his license, or counterfeits it or imitates it. [Act V, 1888 s. 29.]

(*2*) Every ground on which a patent may be revoked under this Act shall be available by way of defence to a suit for infringement. [7 Edw. 7, c. 29, s. 25.]

Exemption of innocent infringer from liability for damages.

29. A patentee shall not be entitled to recover any damages in respect of any infringement of a patent granted after the commencement of this Act from any defendant who proves that at the date of the infringement he was not aware, nor had reasonable means of making himself aware, of the existence of the patent, and the marking of an article with the word " patent," "patented," or any word or words expressing or implying that a patent has been obtained for the article, stamped, engraved, impressed on, or otherwise applied to the article, shall not be deemed to constitute notice of the existence of the [7Edw. 7, c. 29, s. 33.]

patent unless the word or words are accompanied by the year and number of the patent.

Provided that nothing in this section shall affect any proceedings for an injunction.

[7 Ed w.7, c. 29, s. 34.]

Order for inspection, &c., in suit.

30. In a suit for infringement of a patent the Court may, on the application of either party make such order for an injunction, inspection or account, and impose such terms and give such directions respecting the same and the proceedings thereon, as the Court may see fit.

[*Ibid*, s. 35.]

Certificate of validity questioned and costs thereon.

31. In a suit for infringement of a patent the Court may certify that the validity of the patent came in question, and if the Court so certifies, then in any subsequent suit in that Court for infringement of the same patent the plaintiff on obtaining a final order or judgment in his favour shall, unless the Court trying the suit otherwise directs, have his full costs, charges and expenses of and incidental to the said suit properly incurred.

[Act V, 1888. s. 39.]

Transmission of decrees and orders to the Controller.

32. A Court making a decree in a suit under section 28 or an order on a petition under section 25 shall send a copy of the decree or order as the case may be, to the Controller,

who shall cause an entry thereof and reference thereto to be made in the register of patents.

[*Ibid*, s. 42.] 33. A High Court to which a petition has been presented under section 25 may stay proceedings on, or dismiss the petition if in its opinion the petition would be disposed of more justly or conveniently by another High Court.

Power of High Court to stay proceedings, etc.

[7 Edw. 7, c. 29, s. 31.] 34. (1) In a suit or proceeding for infringement or revocation of a patent, the Court may, if it thinks fit, and shall on the request of either of the parties to the proceedings, call in the aid of an assessor specially qualified, and try the case wholly or partially with his assistance.

Hearing with assessor.

(2) A Court exercising appellate jurisdiction in respect of such suit or proceeding may, if it thinks fit, call in the aid of an assessor as aforesaid.

(3) The remuneration, if any, to be paid to an assessor under this section shall in every case be determined by the Court and be paid by it as part of the expenses of the execution of this Act.

[*Ibid*, s. 36.] 35. Where any person claiming to be the patentee of an invention, by circulars, advertisements or otherwise threatens any other person

Remedy in case of groundless threats of legal proceedings.

with any legal proceedings or liability in respect of any alleged infringement of the patent, any person aggrieved thereby may bring a suit against him in a District Court having jurisdiction to try the suit and may obtain an injunction against the continuance of such threats, and may recover such damage (if any) as he has sustained thereby if the alleged infringement to which the threats related was not in fact an infringement of any legal rights of the person making such threats:

Provided that this section shall not apply if the person making such threats with due diligence commences and prosecutes a suit for infringement of his patent.

Miscellaneous.

[*Ibid*, s. 37.] 36. Where, after the commencement of this Act, a patent is granted to two or more persons jointly, they shall, unless otherwise specified in the patent, be treated for the purpose of the devolution of the legal interest therein as joint tenants; but, subject to any contract to the contrary, each of such persons shall be entitled to use the invention for his own profit without accounting to the others, but shall not be entitled to grant a license without their consent, and if any such person dies, his beneficial interest in the patent shall devolve on his legal representatives.

Grant of patents to two or more persons.

[Act V, 1888, s. 21.]

Novelty of invention.

37. (*1*) An invention shall be deemed a new invention within the meaning of this Act—

(*a*) if it has not, before the date of the application for a patent thereon, been publicly used in any part of British India or been made publicly known in any part of British India, and

(*b*) if the inventor has not by secret or experimental use made direct or indirect profits from his invention in excess of such an amount as the Court or the Governor General in Council, as the case may be, may, in consideration of all the circumstances of the case, deem reasonable. [New.]

(*2*) The public use or knowledge of an invention before the date of the application for a patent thereon shall not be deemed a public use or knowledge within the meaning of this Act if the knowledge has been obtained surreptitiously or in fraud of the inventor or has been communicated to the public in fraud of the inventor or in breach of confidence: [Act V, 1888 s. 22.]

Provided that the inventor has not acquiesced in the public use of his in-

vention, and that, within six months after the commencement of that use, he applies for a patent.

[7 Edw. 7, c. 29, s. 44.]

Loss or destruction of patent.

38. If a patent is lost or destroyed, or its non-production is accounted for to the satisfaction of the Controller, the Controller may at any time seal a duplicate thereof.

[*Ibid*, s. 45.]

Provisions as to exhibitions.

39. (1) The exhibition of an invention at an industrial or international exhibition, certified as such by the Governor General in Council, or the publication of any description of the invention during the period of the holding of the exhibition, or the use of the invention for the purpose of the exhibition in the place where the exhibition is held, or the use of the invention during the period of the holding of the exhibition by any person elsewhere, without the privity or consent of the inventor, shall not prejudice the right of the inventor to apply for and obtain a patent in respect of the invention or the validity of any patent granted on the application:

Provided that—

(*a*) the exhibitor, before exhibiting the invention, gives the Controller the prescribed notice of his intention to do so; and

(*b*) the application for a patent is made before or within six months from the date of the opening of the exhibition.

(*2*) The Governor General in Council may, by notification in the Gazette of India, apply this section to any exhibition mentioned in the notification in like manner as if it were an industrial or international exhibition certified as such by the Governor General in Council, and any such notification may provide that the exhibitor shall be relieved from the condition of giving notice to the Controller of his intention to exhibit, and shall be so relieved either absolutely or upon such terms and conditions as may be stated in the notification.

Models to be furnished to Indian Museum.

40. (*1*) The trustees of the Indian Museum may at any time require a patentee to furnish them with a model or sample of his invention on payment to the patentee of the cost of the manufacture of the model or sample, the amount to be settled, in case of dispute, by the Governor General in Council. [*Ibid*, s. 47 (2).]

(*2*) The Local Government, after leaving in the Patent Office a notice in writing in this behalf, may, by notification in the local official Gazette, extend the

provisions of this section to the case of any musem in a Presidency-town within the province:

Provided that the power of the Governor General in Council under sub-section (*1*) to settle the amount payable to the patentee shall in that case be exercised by the Local Government.

[7 Edw. 7, c. 29, s. 48.]

41. (*1*) A patent shall not prevent the use of an invention for the purposes of the navigation of a foreign vessel within the jurisdiction of any Court in British India, or the use of an invention in a foreign vessel within that jurisdiction, provided it is not used therein for or in connection with the manufacture or preparation of anything intended to be sold in or exported from British India.

Foreign vessels in British Indian waters.

(2) This section shall not extend to vessels of any foreign State of which the laws do not confer corresponding rights with respect to the use of invention in British vessels while in the ports of that State, or in the waters within the jurisdiction of its Courts.

PART II.

DESIGNS.

Registration of Designs.

[*Ibid*, s. 49.] 42. (*1*) The Controller may, on the application of any person claiming to be the proprietor of any new or original design not previously published in British India register the design under this Part.

Application for registration of designs.

[*Ibid*, s. 50.] (*2*) The application must be made in the prescribed form and must be left at the Patent Office in the prescribed manner and must be accompanied by the prescribed fee.

(*3*) The same design may be registered in more than one class, and, in case of doubt as to the class in which a design ought to be registered, the Controller may decide the question.

(*4*) The Controller may, if he thinks fit, refuse to register any design presented to him for registration, but any person aggrieved by any such refusal may appeal to the Governor General in Council.

(*5*) An application which, owing to any default or neglect on the part of the applicant, has not been completed so as to enable registration to be effected within the prescribed time shall be deemed to be abandoned.

(*6*) A design when registered shall be registered as of the date of the application for registration.

[*Ibid*, s. 50.] 43. Where a design has been registered in one or more classes of goods, the application of the proprietor of the design to register it in some one or more other classes shall not be refused, nor shall the registration thereof be invalidated—

Registration of designs in new classes.

(*a*) on the ground of the design not being a new and original design, by reason only that it was so previously registered;

(*b*) on the ground of the design having been previously published in British India, by reason only that it has been applied to goods of any class in which it was so previously registered.

[7 Edw. 7, c. 29, s. 51] 44. (*1*) The Controller shall grant a certificate of registration to the proprietor of the design when registered.

Certificate of registration.

(*2*) The Controller may, in case of loss of the original certificate, or in any other case in which he deems it expedient, furnish one or more copies of the certificate.

45. (*1*) There shall be kept at the Patent Office a book called the Register of Designs, wherein shall be entered the names and addresses of proprietors of registered designs, notifications of assignments and of transmissions of registered designs, and such other matters as may be prescribed. [*Ibid*, s. 52.]

Register of designs.

(*2*) The register of designs existing at the commencement of this Act shall be incorporated with and form part of the register of designs under this Act.

(*3*) The register of designs shall be *prima facie* evidence of any matters by this Act directed or authorized to be entered therein.

Copyright in Registered Designs.

46. (*1*) When a design is registered, on the registered proprietor of the design shall, subject to the provisons of this Act, have copyright in the design during five years from the date of registration. [*Ibid*, s. 53.]

Copyright on registration.

(*2*) If within the prescribed time before the expiration of the said five years application for the extension of the period of copyright is made to the Controller in the prescribed manner, the Controller shall, on payment of the prescribed fee, extend the period of copyright for a second period of five

years from the expiration of the original period of five years.

(3) If within the prescribed time before the expiration of such second period of five years application for the extension of the period of copyright is made to the Controller in the prescribed manner, the Controller may, subject to any rules under this Act, on payment of the prescribed fee, extend the period of copyright for a third period of five years from the expiration of the second period of five years.

47. (1) Before delivery on sale of any articles to which a registered design has been applied, the proprietor shall— [7 Edw. 7, c. 29, s. 54.]

Requirements before delivery on sale.

(a) (if exact representation or specimens were not furnished on the application for registration), furnish to the Controller the prescribed number of exact representations or specimens of the design; and, if he fails to do so, the Controller may erase his name from the register and thereupon the copyright in the design shall cease; and

(b) cause each such article to be marked with the prescribed mark, or with the

prescribed words or figures denoting that the design is registered; and, if he fails to do so, the proprietor shall not be entitled to recover any penalty or damages in respect of any infringement of his copyright in the design unless he shows that he took all proper steps to ensure the marking of the article, or unless he shows that the infringement took place after the person guilty thereof knew or had received notice of the existence of the copyright in the design.

(*2*) Where a representation is made to the Governor General in Council by or on behalf of any trade or industry that in the interest of the trade or industry it is expedient to dispense with or modify as regards any class or description of articles any of the requirements of this section as to marking, the Governor General in Council may, if he thinks fit, by rule under this Act dispense with or modify such requirements as regards any such class or description of articles to such extent and subject to such conditions as he thinks fit.

[7 Edw. 7, c. 29, s. 55.] 48. The disclosure of a design by the proprietor to any other person, in such circumstances as would make it contrary to good faith for that other person to use or publish the design, and the disclosure of a design in breach of good faith by any person other than the proprietor of the design, and the acceptance of a first and confidential order for goods bearing a new or original textile design intended for registration, shall not be deemed to be a publication of the design sufficient to invalidate the copyright thereof if registration thereof is obtained subsequently to the disclosure or acceptance.

Effect of disclosure on copyright.

[*Ibid*, s. 56.] 49. (*1*) During the existence of copyright in a design, or such shorter period not being less than two years from the registration of the design as may be prescribed, the design shall not be open to inspection except by the proprietor or a person authorized in writing by him, or a person authorized by the Controller or by the Court, and furnishing such information as may enable the Controller to identify the design, and shall not be open to the inspection of any person except in the presence of the Controller, or of an officer acting under him and on payment of the prescribed fee; and the person

Inspection of registered designs.

making the inspection shall not be entitled to take any copy of the design, or of any part thereof:

Provided that, where registration of a design is refused on the ground of identity with a design already registered, the applicant for registration shall be entitled to inspect the design so registered.

(*2*) After the expiration of the copyright in a design, or such shorter period as aforesaid, the design shall be open to inspection, and copies thereof may be taken by any person on payment of the prescribed fee.

(*3*) Different periods may be prescribed under this section for different classes of goods.

[7 Edw. 7, c. 29, s. 57]

Information as to existence of copyright.

50. On the request of any person furnishing such information as may enable the Controller to identify the design, and on payment of the prescribed fee, the Controller shall inform such person whether the registration still exists in respect of the design, and, if so, in respect of what classes of goods, and shall state the date of registration and the name and address of the registered proprietor.

Industrial and international exhibitions.

51. (1) The exhibition at an industrial or international exhibition certified as such by the Governor General in Council or the exhibition elsewhere during the period of the holding of the exhibition without the privity or consent of the proprietor, of a design, or of any article to which a design is applied, or the publication during the holding of any such exhibition of a description of a design, shall not prevent the design from being registered, or invalidate the registration thereof: [*Ibid*, s.59.]

Provisions as to exhibitions.

Provided that—

(*a*) the exhibitor, before exhibiting the design or article or publishing a description of the design, gives the Controller the prescribed notice of his intention to do so; and

(*b*) the application for registration is made before or within six months from the date of the opening of the exhibition.

(*2*) The Governor General in Council may, by notification in the Gazette of India, apply this section to any exhibition mentioned in the notification in like manner as if it were an industrial

or international exhibition certified as such by the Governor General in Council, and any such notification may provide that the exhibitor shall be relieved from the condition of giving notice to the Controller of his intention to exhibit; and shall be so relieved either absolutely or upon such terms and conditions as may be stated in the notification.

Legal Proceedings.

52. (*1*) During the existence of copyright in any design it shall not be lawful for any person— [*Ibid*, s. 60.]

Piracy of registered design.

(*a*) for the purpose of sale to apply or cause to be applied to any article in any class of goods in which the design is registered the design or any fraudulent or obvious imitation thereof except with the license or written consent of the registered proprietor, or to do anything with a view to enable the design to be so applied; or,

(*b*) knowing that the design or any fraudulent or obvious imitation thereof has been applied to any article

without the consent of the registered proprietor, to publish or expose or cause to be published or exposed for sale that article.

(*2*) If any person acts in contravention of this section, he shall be liable for every contravention—

(*a*) to pay to the registered proprietor of the design a sum not exceeding five hundred rupees recoverable as a contract debt, or

(*b*) if the proprietor elects to bring a suit for the recovery of damages for any such contravention, and for an injunction against the repetition thereof, to pay such damages as may be awarded and to be restrained by injunction accordingly:

Provided that the total sum recoverable in respect of any one design under clause (*a*) shall not exceed one thousand rupees.

[Act V, 1888, s. 57 (2).]

(*3*) When the Court makes a decree in a suit under sub-section (*2*), it shall send a copy of the decree to the Controller, who shall cause an entry thereof to be made in the register of designs.

[7 Edw. 7, c. 29, s. 61.]

Application of certain provisions of the Act as to patents to designs.

53. The provisions of this Act with regard to certificates of the validity of a patent, and to the remedy in case of groundless threats of legal proceedings by a patentee, shall apply in the case of registered designs in like manner as they apply in the case of patents, with the substitution of references to the copyright in a design for references to a patent, and of references to the proprietor of a design for references to the patentee, and of references to the design for references to the invention.

PART III

GENERAL.

Patent Office and Proceedings thereat.

[7 Edw. 7, c. 29, s. 62.]

Patent Office.

54. (*1*) The Governor General in Council may provide, for the purposes of this Act, an office which shall be called, and is in this Act referred to as, the Patent Office.

(*2*) The Patent Office shall be under the immediate controll of the Controller of Patents and Designs, who shall act under the superintendence and direction of the Governor General in Council.

(*3*) There shall be a seal for the Patent Office.

(4) Any act or thing directed to be done by or to the Controller may be done by or to any officer authorized by the Governor General in Council.

Officers and clerks.

55. The Governor General in Council may appoint the Controller, and so many officers and clerks, with such designations and duties as he thinks fit. [7 Edw. 7. c. 29, s. 63.]

Fees.

Fees.

56. (1) There shall be paid in respect of the grant of patents and the registration of designs, and applications therefor, and in respect of other matters with relation to patents and designs under this Act, such fees as may be prescribed by the Governor General in Council, so however that the fees prescribed in respect of the instruments and matters mentioned in the schedule shall not exceed those there specified. [*Ibid*, s. 65.; *cf.* Act V, 1888, ss. 48 and 62.]

(2) A proceeding in respect of which a fee is payable under this Act or the rules made thereunder shall be of no effect unless the fee has been paid. [Act V, 1888, ss. 48 (4), 62 (4).]

Provisions as to registers and other documents in the Patent Office.

Trust not to be entered in registers.

57. There shall not be entered in any register kept under this Act, or be receivable by the Controller, any notice of any trust, expressed, implied or constructive. [7 Edw. 7 c. 29, s. 66.]

58. Every register kept under this Act shall at all convenient times be open to the inspection of the public, subject to the provisions of this Act; and certified copies, sealed with the seal of the Patent Office, of any entry in any such register shall be given to any person requiring the same on payment of the prescribed fee [*Ibid* s. 67.]

Inspection of and extracts from register.

59. Reports of or to the Controller made under this Act shall not in any case be published or be open to public inspection. [*Ibid*, s. 68.]

Privilege of reports of Controller.

60. (*1*) Where an application for a patent has been abandoned or become void, the specifications and drawings (if any) accompanying or left in connection with such application shall not, save as otherwise expressly provided by this Act, at any time be open to public inspection, or be published by the Controller. [*Ibid*, s. 69.]

Prohibition of publication of specification, drawings, etc., where application abandoned, etc.

(*2*) Where an application for a design has been abandoned or refused, the application and any drawings, photographs, tracings, representations or specimens left in connection with the application shall not at any time be open to public inspection or be published by the Controller.

61. The Controller may, on request in writing accompanied by the prescribed fee,— [*Ibid*, s. 70.]

Power for Controller to correct clerical errors.

(*a*) correct any clerical error in or in connection with an application for a patent or in any patent or any specification;

(*b*) cancel the registration of a design either wholly or in respect of any particular goods in connection with which the design is registered;

(*c*) correct any clerical error in the representation of a design or in the name or address of the proprietor of any patent or design, or in any other matter which is entered upon the register of patents or the register of designs.

[7 Edw. 7, c. 29, s. 71.]

62. (*1*) Where a person becomes entitled by assignment, transmission or other operation of law to a patent, or to the copyright in a registered design, the Controller shall, on request and on proof of title to his satisfaction, register him as the proprietor of such patent or design.

Entry of assignments and transmissions in registers.

(*2*) Where any person becomes entitled as mortgagee, licensee or otherwise to any interest in a patent or registered design, the Controller shall, on request and on proof of title to his satisfaction, cause notice of the interest to be entered in the prescribed manner in the register of patents or designs, as the case may be.

(*3*) The person registered as the proprietor of a patent or design shall, subject to the provisions of this Act, and to any rights appearing from the register to be vested in any other person, have power absolutely to assign, grant licenses as to, or otherwise deal with, the patent or design and to give effectual receipts for any consideration for any such assignment, license or dealing:

Provided that any equities in respect of the patent or design may be enforced in like manner as in respect of any other moveable property.

[*Ibid* 72; *cf.* Act V, 1888, ss. 41 and 59.]

Rectification of register by Court.

63. (*1*) A High Court may, on the application in the prescribed manner of any person aggrieved by the non-insertion in or omission from the register of patents or designs of any entry, or by any entry made in either such register, without sufficient cause or by any entry wrongly remaining on either such register, or by an error or defect in any

entry in either such register, make such order for making, expunging or varying such entry as it may think fit.

(2) The Court may in any proceeding under this section decide any question that it may be necessary or expedient to decide in connection with the rectification of a register.

(3) The prescribed notice of any application under this section shall be given to the Controller, who shall have the right to appear and be heard thereon.

(4) Any order of the Court rectifying a register shall direct that notice of the rectification be served on the Controller in the prescribed manner, who shall upon the receipt of such notice rectify the register accordingly.

[Act V, 1884, ss. 42 and 60.]

(5) A High Court to which an application has been made under this section may stay proceedings on or dismiss the application if in its opinion the application would be disposed of more justly or conveniently by another High Court.

Power and duties of Controller

[7 Edw. 7, c. 29, s. 77.]

64. Subject to any rules in this behalf, the Controller in any proceedings before him under this Act shall have the powers of a Civil Court for the purpose of receiving evidence

Powers of Controller in proceedings under Act.

and administering oaths and enforcing the attendance of witnesses and compelling the production of documents and awarding costs.

Exercise of discretionary power by Controller.

65. Where any discretionary power is by or under this Act given to the Controller, he shall not exercise that power adversely to the applicant for a patent, or for amendment of an application or of a specification, or for registration of a design, without (if so required within the prescribed time by the applicant) giving the applicant an opportunity of being heard. [7 Edw. 7, c. 29, s. 73.]

Power of Controller to take directions of Governor General in Council

66. The Controller may, in any case of doubt or difficulty arising in the administration of any of the provisions of this Act, apply to the Governor General in Council for directions in the matter. [*Ibid*, s. 74.]

Refusal to grant patent, etc., in certain cases.

67. The Controller may refuse to grant a patent for an invention or to register a design of which the use would, in his opinion, be contrary to law or morality. [*Ibid*, s. 75.]

Appeals to the Governor General in Council.

68. (*1*) Where an appeal is declared by this Act to lie from the Controller to the Governor General in Council, the appeal shall be made within three months of the date of the [New.]

order passed by the Controller, and shall be in writing, and accompanied by the prescribed fee.

(*2*) The Governor General in Council may, if he thinks fit, obtain the assistance of an expert in deciding such appeals, and the decision of the Governor General in Council shall be final.

Evidence, etc.

Certificates of Controller to be evidence.

69. A certificate purporting to be under the hand of the Controller as to any entry, matter or thing which he is authorized by this Act, or any rules made thereunder, to make or do, shall be *prima facie* evidence of the entry having been made, and of the contents thereof, and of the matter or thing having been done or left undone. [7 Edw. 7, c. 29, s. 78.]

Transmission of certified printed copies of specifications, etc.

70. Copies of all specifications, drawings and amendments left at the Patent Office after the commencement of this Act, printed for and sealed with the seal of the Patent Office, shall be transmitted as soon as may be, after they have been accepted or allowed at the Patent Office to the Governor of Fort Saint George in Council, the Governor of Bombay in Council, the Lieutenant-Governor of Burma and to such other authorities as the Governor General in Council may appoint in this behalf, and shall [*Ibid*; *cf.* s. 80; & Act V, 1888, s. 11 (*2*) & (3).]

be open to the inspection of any person at all reasonable times at places to be appointed by those authorities.

71. Any application, notice or other document authorized or required to be left, made or given at the Patent Office or to the Controller or to any other person under this Act, may be sent by post. [*Ibid*, s. 81.]

Applications and notices by post.

[7 Edw. 7, c. 29, s. 83.]

72. (*1*) If any person is, by reason of infancy, lunacy or other disability, incapable of making any statement or doing anything required or permitted by or under this Act, the lawful guardian, committee or manager (if any) of the person subject to the disability, or, if there be none, any person appointed by any Court possessing jurisdiction in respect of his property, may make such statement or a statement as nearly corresponding thereto as circumstances, permit, and do such thing in the name and on behalf of the person subject to the disability.

Declaration by infant, lunatic, etc.

(*2*) An appointment may be made by the Court for the purposes of this section upon the petition of any person acting on behalf of the person subject to the disability or of any other person interested in the making of the statement or the doing of the thing.

Agency.

[*Cf.* Act V, 1888, ss. 45 & 46.] Subscription and verification of certain documents.

73. The following documents, namely,—

(*1*) applications for a patent,

(*2*) notices of opposition,

(*3*) applications for extension of term of a patent,

(*4*) applications for the restoration of lapsed patents,

(*5*) applications for leave to amend,

(*6*) applications for compulsory license or revocation, and

(*7*) notices of surrenders of patent,

shall be signed and verified in the manner prescribed by the person making such applications or giving such notices:

Provided that, if such person is absent from British India, they may be signed and verified on his behalf by an agent resident in British India authorized by him in writing in that behalf.

[*Cf.* Act V, 1888, s. 47.] Agency.

74. (*1*) All other applications and communications to the Controller under this Act may be signed by, and all attendances upon the Controller may be made by or through, an agent authorized to the satisfaction of the Controller.

[New.] (*2*) The Controller may, if he sees fit, require—

(*a*) any such agent to be resident in British India;

(*b*) any person not residing in British India to employ an agent residing in British India:

[*Cf.* 7 Edw. 7, c. 29, rule No. 9.]

(*c*) the personal signature or presence of any applicant, opponent or other person.

Powers, etc., of Governor General in Council.

[7 Edw. 7, c. 29, s. 86.[

75. (*1*) The Governor General in Council may make such rules as he thinks expedient, subject to the provisions of this Act—

Power for Governor General in Council to make rules.

(*a*) for regulating the practice of registration under this Act;

(*b*) for classifying goods for the purposes of designs;

(*c*) for making or requiring duplicates of specification, drawings and other documents;

(*d*) for securing and regulating the publishing and selling of copies, at such prices and in such manner as the Governor General in Council thinks fit, of specifications, drawings and other documents;

(*e*) for securing and regulating the making, printing, publishing and selling of indexes to, and abridgments of, specifications and other documents in the Patent Office; and providing for the inspection of indexes and abridgments and other documents;

(*f*) generally for regulating the business of the Patent Office, the conduct of proceedings before the Controller and all things by this Act placed under the direction or control of the Controller or of the Governor General in Council; and

(*g*) generally for the purposes of carrying into effect the provisions of this Act.

(*2*) The power to make rules under this section shall be subject to the condition of the rules being made after previous publication.

(*3*) All rules made under this section shall be published in the Gazette of India and on such publication shall have effect as if enacted in this Act.

Offences.

76. If any person uses on his place of business, or on any document issued by him or otherwise, the words "Patent Office," or any other words suggesting that his place of business is officially connected with, or is, the Patent Office, he shall be punishable with fine which may extend to two hundred rupees, and, in the case of a continuing offence with further fine of twenty rupees for each day on which the offence is continued after conviction therefor. [7 Edw. 7, c. 29, s. 89 (5).]

Wrongful use of words "Patent Office."

International and Colonial arrangements.

77. (*1*) If His Majesty is pleased by Order in Council to apply such of the provisions of section 91 of the Patents and Designs Act, 1907, as relate to inventions or designs to British India, then any person who has applied for protection for any invention or design in the United Kingdom or in any foreign State with the Government of which His Majesty has made any arrangement for mutual protection of inventions or designs, shall be entitled to a patent for his invention or to registration of his design under this Act in priority to other applicants; and the patent or registration shall have the same date as the date of the application [*Ibid*, s. 91.] [7 Edw. 7, c. 29.]

International and Colonial arrangements.

in the United Kingdom or in such foreign State, as the case may be:

Provided that—

(*a*) the application is made in the case of a patent within twelve months, and in the case of a design within four months, from the application for protection in the United Kingdom or in such foreign State, as the case may be; and

(*b*) nothing in this section shall entitle the patentee or proprietor of the design to recover damages for infringements happening prior to the actual date on which his application is accepted, or his design is registered, in British India.

(*2*) The patent granted for the invention or the registration of a design shall not be invalidated—

(*a*) in the case of a patent, by reason only of the publication of a description of, or use of, the invention, or

(*b*) in the case of a design, by reason only of the exhibition or use of, or the publication of a description or representation of, the design,

in British India during the period specified in this section as that within which the application may be made.

(3) The application for the grant of a patent, or the registration of a design, under this section must be made in the same manner as an ordinary application under this Act:

Provided that in the case of patents the specification, if it is not accepted within the twelve months from the application for protection in the United Kingdom or in the foreign State, shall with the drawings (if any) be open to public inspection at the expiration of that period.

(4) The provision of this section shall in the case of foreign States apply only in the case of those foreign States with respect to which His Majesty by Order in Council has declared the provisions of the aforesaid section 91 of the Imperial Act to be applicable, and so long only in the case of each State as the Order in Council continues in force with respect to that State.

(5) Where it is made to appear to the Governor General in Council that the legislature of any British possession has made satisfactory provision for the protection of inventions or designs, patented or registered in British India, it shall be lawful for the Governor General in Council, by notification in the Gazette of

India, to apply all or any of the provisions of this section, with such variations or additions, if any, as may be stated in the notification, to the case of any person who has applied for protection for any invention or design in that possession.

Savings and Repeal.

(7 Edw. 7. c. 29. s. 97.)

78. Nothing in this Act shall take away, abridge or prejudicially affect the prerogative of the Crown in relation to the granting of any letters patent or to the withholding of a grant thereof.

Saving for prerogative.

79. The Inventions and Designs Act, 1888, is hereby repealed. V of 1888

Repeal.

Provided that this repeal shall not affect any application under the said Act pending at the commencement of this Act, and all proceedings on such application shall be continued as if this Act had not been passed.

80. (*1*) At any time within two years from the commencement of this Act, any person possessing an exclusive privilege under the Inventions and Designs Act, 1888, may, by request in writing left at the Patent Office and on payment of the prescribed fee, seek leave to convert his V of 1888.

Substitution of patents for rights under repealed Act.

exclusive privilege under the said Act into a patent under this Act.

(*2*) Notice of any application under this section shall be sent to all persons appearing from the address book kept under the said Act to have any shares or interests in the exclusive privilege.

(*3*) Save as aforesaid, the procedure prescribed by section 17 in the case of applications under that section shall, so far as may be, apply to every application under this section.

(*4*) Every patent granted under this section shall be dated as of the date of the exclusive privilege for which it is substituted.

THE SCHEDULE.

(*See sections 56.*)

FEES.

	Rs.
On application for a patent... ...	10
Before sealing a patent	50
Before the expiration of the 4th year from the date of the patent.	50
Before the expiration of the 5th year from the date of the patent.	50
Before the expiration of the 6th year from the date of the patent.	50

	Rs.
Before the expiration of the 7th year from the date of the patent.	50
Before the expiration of the 8th year from the date of the patent.	50
Before the expiration of the 9th year from the date of the patent.	100
Before the expiration of the 10th year from the date of the patent.	100
Before the expiration of the 11th year from the date of the patent.	100
Before the expiration of the 12th year from the date of the patent.	100
Before the expiration of the 13th year from the date of the patent.	100
On application for registration of a design.	10

BOMBAY, 77-79, APOLLO STREET,

Dated, 10th June 1910

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

THE SECRETARY,

Government of Bombay,

General Department,

Bombay.

SIR,

I have the honour on behalf of the Committee of this Chamber to acknowledge the receipt of your favour of the 22nd April 1910 and to forward herewith their suggestions on the proposed Indian Patents and Designs Act.

In the first place, my Committee beg to thank the Government for bringing the Indian Patents and Designs Bill in line with the English Act and thus recognising the needs of the times. The new Act will serve well the objects with which it is credited with entertaining by the Hon'ble Mr. Robertson in introducing it in the Imperial Council—the encouragement of the inventor and the protection of the public. A third and important object of a Patents Act in every country is the encouragement of new manufacturers and new industries. My Committee beg respectfully to propose the following amendments to the Act sent to them for consideration—amendments which in their opinion will further all the three objects enumerated above.

1. The Bill provides that whenever any party is not satisfied with the decision of the Comptroller of Patents, appeal shall lie to the Governor-General in Council. My Committee are of opinion that it would be better were such appeal to be directed to High Courts of Presidencies which are the most expert and independent tribunals for such a purpose and to Chief Courts where there are no High Courts. It would introduce an uniformity of procedure and would facilitate the work of the appellant very much. The English Act provides for an appeal to the Law Officer.

2. Sec. 27 of the British Act should be incorporated in the Indian Act. It is this Section which has got such a success and such universal admiration for the Act introduced in 1907 by Mr. Lloyd George the then President of the Board of Trade. The Section refers to what is known as "compulsory working" which ensures the working of patents in the country from which they are taken and thus becomes directly instrumental in opening new industries, getting work for many people and generally developing the industrial condition of the country. It is estimated that during two years which have elapsed since the passing of the Patents Act in England about a million sterling has been invested there in land, building and plant by foreign patentees thereby finding employment for some 8,000 people. Not only this but British manufacturers attach great importance to other collateral advantages likely to accrue from it, as will be seen from the following paragraph in the speech of Mr. Levinstein at the annual dinner of the Society of Dyers and Colourists in Manchester on the 18th March 1910. "I consider this result, valuable though it undoubtedly is, to be a mere bagatelle compared with the enormous advantage which our manufacturers now possess in being able to secure licenses from foreign patentees on equitable and reasonable terms—terms which other competing countries enjoyed for many years prior to the passing of the Act in 1907."

My Committee venture to think that all these direct and indirect advantages will not be possible to be obtained from the provision for grant of licenses as contained in Sec. 22 of the proposed Act and beg to hope that Sec. 27 of the English Act will be introduced in the Indian one.

3. My Committee respectfully draw the attention of the Government to the rather heavy scale of fees charged for the renewal of patents, etc., as compared, for instance, with the scale of fees in vogue in Japan. The difference will be seen from the fact that while in Japan (Art. 57 of the Japanese Act) the total amount disbursed for 15 years (the period of the life of a patent) is 230 Yen, *i. e.*, Rs. 352, the total amount to be paid by a patentee during the fourteen years of the life of a patent in this country is Rs. 810. The following two tables will show the comparative difference between Japanese and Indian scales of fees:—

Indian Fees.	Rs.	Japanese Fees. Yen.	
On application for a patent ...	10	20	(first three years)
Before sealing a patent ...	50	10	(annually for 3 years)
Before the expiration of the 4th year from the date of the patent	50	15	(annually for the next three years)
		20	(annually for the next three years)
Before the expiration of the 5th year from the date of the patent	50	25	(annually for the next year)
Before the expiration of the 6th year from the date of the patent	50	230	yen
Before the expiration of the 7th year from the date of the patent	50		
Before the expiration of the 8th year from the date of the patent	50		

	Rs.
Before the expiration of the 9th year from the date of the patent	100
Before the expiration of the 10th year from the date of the patent	100
Before the expiration of the 11th year from the date of the patent	100
Before the expiration of the 12th year from the date of the patent	100
Before the expiration of the 13th year from the date of the patent	100
On application for registration of design	10
	Rs. 810

Again it appears from the Article 58 of the Japanese Act that encouragement is given to the poor inventor, and arrangements made whereby in his case the fees are either remitted or reduced—a provision which is not to be found in the Indian Act. My Committee beg to request the Government to reduce the scale of fees and to introduce some provision with reference to poor patentees.

4. Publication of a Journal of Patents.

Sec. 46 of the British Act provides that the Comptroller may publish a Journal of Patents. Such an empowering clause may well be introduced in the Indian Act.

5. Lastly my Committee beg to recommend that Sec. 58 of the British Act which provides for the cancellation of the Registration of Designs if not worked in the country,

as Sec. 27 provides for the cancellation of patents if not worked in the country, should be incorporated in the Indian Act. Arguments for Sec. 58 of the British Act, and advantages likely to accrue from it, are succinctly summarised by Mr. Croydon Marks, M. P., which summary my Committee beg to give below:—

"Designs that are registered in this country in order to enable a foreigner to capture British trade by preventing the manufacture of the articles that he has copyrighted in this country for enabling him to import goods made after such or with such designs thereon will be capable of being set on one side by any person who may apply to the Comptroller for the cancellation of the registration "on the ground that the design is used for manufacture exclusively or mainly outside the United Kingdom." The intention of Design registration, as with patents for invention, is for the encouragement for the home manufacture, not for the prevention of it, by causing the articles to become the proprietary rights of any person who exercises the design in a foreign country by making it there while selling in this country, where others are prevented from making or selling it even though they could do so in a cheaper and more efficient manner."

My Committee beg to hope their suggestions will be favourably considered by the Government and be incorporated in the proposed Act.

I beg to remain,
Sir,
Your most obedient servant,
(Sd.) MANMOHANDAS RAMJI,
Chairman.
(Sd.) PURSHOTUMDAS THAKORDAS,
Vice-Chairman.
(Sd.) JAYASUKHLAL K. MEHTA,
Secretary.

APPENDIX 2.

Urgent.

No. 4676 of 1910.

REVENUE DEPARTMENT,

Bombay Castle, 24th May 1910.

From

R. D. BELL, ESQUIRE, I. C. S.,

Under Secretary to the Government of Bombay;

To

THE SECRETARY,

Indian Merchants' Chamber and Bureau.

Sir,

I am directed to forward a copy of the letter from the Government of India, Department of Commerce and Industry No. 3666-3670-45, dated 17th May 1910 and of its accompaniments, and to request that Government may be favoured, with the least possible delay, with any representation the Chamber may have to make with regard to the new customs tariff proposed to be adopted by the Government of Japan, so far as it affects Indian exports.

I have the honour to be,

Sir,

Your most obedient servant,

R. D. BELL,

Under Secretary to Government.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

(Commerce and Trade.)

No. 3666—3670-45, dated 17th May 1910.

To—The Chief Secretary to the Government of Bombay.

Sir,

I am directed to forward a copy of a despatch with its enclosures from the Secretary of State for India, No. 32-Revenue, dated the 29th April 1910, regarding the new customs tariff proposed to be adopted by the Government of Japan, together with extracts from the proposed tariff relating to the more important articles of export from India to Japan which are affected by the alterations proposed, and to request that the Government of India may be favoured with any sugestions which His Excellency the Governor in Council may have to offer, after consultation with the Chambers of Commerce, Trades Associations and other representative bodies in Bombay, for inclusion in any representation which the Board of Trade may decide to address to the Japanese Government in respect of the proposed revised rates of duty.

2. I am further to ask that the matter may be treated as urgent, as it is necessary that any suggestions which the Government of India may decide to make should be transmitted to the India Office as early as possible.

I have, etc.,

A. C. MCWATTERS,

Under Secretary to the Government of India.

Extracts from the proposed Japan new customs tariff.

Number in proposed tariff.	Proposed tariff classification.	Rates of duty.		English equivalents.	
		Present.	Proposed.	Of present rates.	Of proposed rates.
	* * *	Yens. * Per 100 kin.	Yens. *	£. s. d. * Per Cwt.	£ s. d. *
71	Hide and skins, animal, raw—				
	(1) Of bulls, oxen, cows and buffaloes.	1·20	1·70	0 2 1	0 2 11¼
	(2) Of deer ...	4.00	1·90	0 6 11	0 3 3½
	(3) Of red deer (servus elephus). ...	2·10	1·25	0 3 7½	0 2 2
	(4) Waste ...	Free	Free	Free	Free
	(5) Other ...	10 per cent. *ad valorem.*	5 per cent. *ad valorem.*	10 per cent. *ad valorem.*	5 per cent. *ad valorem*
72	Leather—				
	(1) Of bulls oxen, cows. buffaloes, horses, sheep and goats—				
	(*a*) Lacquered Japanned or enamelled.	10 per cent. *ad valorem. c.*	20 per cent. *ad valorem.*	10 per cent *ad valorem*	20 per cent *ad valorem.*
	(*b*) Dyed or coloured (excluding roller leather).	10 per cent. *ad valorem c*	20 per cent. *ad valorem.*	10 per cent *ad valorem.*	20 per cent. *ad valorem.*
	(*c*) Other—				
	(I) Of bulls, oxen, cows, buffaloes and horses—				

Extracts from the proposed Japan new customs tariff.

Number in proposed tariff.	Proposed tariff classification.	Rates of duty.		English equivalents.	
		Present.	Proposed.	Of present rates.	Of proposed rates.
		Yens.	Yens.	£. s. d.	£. s. d.
		Per 100 kins.		Per Cwt.	
	(*a*) Sole leather.	5.690 *c.*	15·20	0 9 10	1 6 3
	(*b*) Tanned hide, known as "Indian blood leather."	10 per cent. *ad valorem c.*	9·50	10 per cent. *ad valorem.*	0 16 5
	(*c*) Other ...	10 per cent. *ad valorem c.*	20 per cent. *ad valorem.*	10 per cent. *ad valorem.*	20 per cent. *ad valorem.*
	(II) Of sheep and goats—				
	(*a*) Roller leather.	10 per cent. *ad valorem c.*	69·00	10 per cent *ad valorem.*	5 19 4
	(*b*) Other...		24·00		2 1 6
	(2) Of chamois (including imitation chamois leather).	10 per cent *ad valorem c.*	74·40	10 per cent. *ad valorem.*	6 8 8
	(3) Of swine ...	10 per cent. *ad valorem c.*	30·60	10 per cent. *ad valorem.*	2 12 11
	(4) Of alligators—				
	(*a*) Each weighing not more than 150 grammes.	10 per cent. *ad valorem c.*	207·00	10 per cent. *ad valorem.*	17 17 11
	(*b*) Other ...		113·00		9 15 5

Extracts from the proposed Japan new customs tariff.

Number in proposed tariff.	Proposed tariff classification.	Rates of duty.		English equivalents.	
		Present.	Proposed.	Of present rates.	Of proposed tariff.
		Yens.	Yens.	Yens.	£. s. d.
		Per 100 kins.			Per Cwt.
	(5) Of lizards...	10 per cent. *ad valorem c.*	394·00	10 per cent *ad valorem*	34 1 3
	(6) Waste ...	10 per cent. *ad valorem c.*	9·20	10 per cent *ad valorem.*	0 15 11
	(7) Other ...	10 per cent. *ad valorem c.*	20 per cent. *ad valorem.*	10 per cent *ad valorem*	20 per cent *ad valorem.*
	* * *	*	*	*	*
236	Indigo, natural—				
	(1) Dry ..	12·953 *c.*	21·20	1 2 5	1 16 8
	(2) Liquid or in paste.	30 per cent. *ad valorem.*	10 per cent. *ad valorem.*	30 per cent *ad valorem*	10 per cent. *ad valorem.*
237	Artificial indigo—				
	(1) Dry ...	12 953 *c.*	22·00	1 2 5	1 18 0
	(2) Liquid or in paste.	30 per cent. *ad valorem.*	10 per cent. *ad valorem.*	30 per cent. *ad valorem*	10 per cent. *ad valorem.*
	* * *	*	*	*	*
		Per hundred.	Per hundred.	Per hundred.	Per hundred.
339	Gunny bags. ..	1·390	2·55	0 2 10	0 5 2·47

INDIA OFFICE, LONDON.

No. 32, Revenue, dated 29th April 1910.

To—His Excellency the Right Hon'ble the GOVERNOR-GENERAL of INDIA in COUNCIL.

MY LORD,

I forward herewith, for the consideration of Your Excellency's Government, a copy of correspondence with the Board of Trade regarding the proposed revision of the Japanese customs tariff.

From Board of Trade, dated 7th April 1910 (enclosures sent in original with Revenue Secretary's letter of 8th April).

To Board of Trade, dated 29th April 1910.

2. The proposed alterations in the duties upon indigo, which constitute probably the most important feature of the draft tariff from the point of view of Indian trade, cannot take effect, as regards Indian indigo, before July 1911 at the earliest: but I shall be glad to receive as soon as possible any observations that Your Excellency's Government may have to make, with reference either to the duties on indigo or to any other aspect of the draft tariff, in order that they may be communicated to the Board of Trade in time to allow of their being considered in connection with any representations that they may find it desirable to address to the Japanese Government.

I have, etc.,

MORLEY OF BLACKBURN.

BOARD OF TRADE.

COMMERCIAL DEPARTMENT.

Gwydyr House.

Whitehall, London, S. W.

No. C.—2709, dated 7th April 1910.

To—The Under Secretary of State, India Office.

Sir,

I am directed by the Board of Trade to state that they have received through the Foreign Office copy of a translation of the draft Customs Tariff Law of Japan which has recently been issued by the Japanese Government, and I am to enclose, for the information of Lord Morley. copy of a Statement which has been prepared in this Department comparing the rates of duty proposed by this draft with the rates at present in force.

I am to direct special attention to Nos. 226 and 237 in the Tariff, which state the duties proposed to be levied on indigo, and to point out that, while under these proposals the duty at present levied would be considerably enhanced, it is apparently intended for the first time to discriminate to some extent between natural and artificial indigo.

With reference to this matter, I am to state that the Board learn that a movement is on foot in Japan for increasing this discrimination, and that efforts are being made by the Japanese Natural Indigo Association to secure a reduction in the duty leviable on natural indigo to the equivalent of 5 per cent. *ad valorem* and the imposition of a duty on artificial indigo at a rate equivalent to 30 per cent. *ad valorem*.

Since the receipt of this information, however, the Tariff Bill has been under the consideration of the Japanese Legis-

lature, and the proposed duties on indigo have been amended as follows:—

		Per 100 kin.
236 I.	Dried natural indigo	33·70 yen
236 II.	Liquid or paste	20 per cent. *ad valorem*
237 I.	Artificial indigo (dry)	40 yen per 100 kin
237 II.	Artificial liquid or paste	20 per cent. *ad valorem*.

The Board are taking steps through their Advisory Committee on Commercial Intelligence to ascertain the views of Chambers of Commerce and other representative bodies in the United Kingdom as to the nature of the reductions in the proposed tariff, which are desirable in the interests of British trade and they would be glad to learn in due course whether in the opinion of the Indian Government it would be desirable to include in such representations as it may ultimately be proposed to address to the Japanese Government, any observations on the subject of the duty leviable on indigo or on other products of British India at present exported to Japan.

I have, etc.,

GEO. J. STANLEY.

INDIA OFFICE.

No. R. & S.—821, dated 29th April 1910.

To—The Assistant Secretary, Board of Trade

(Commercial Department.)

Gwydyr House.

Sir,

I am directed by the Secretary of State for India in Council to acknowledge the receipt of Mr. Stanley's letter No. C.—2709 of the 7th April regarding the proposed revision of the Japanese customs tariff, and in reply to state that he is consulting the Government of India on the subject, and will communicate with the Board of Trade again on receiving their views.

Meanwhile I am to enclose, for the information of the Board of Trade, copies of correspondence regarding negotiations that were carried on in 1903—05 with a view to inducing the Japanese Government to differentiate in the matter of import duties between natural and artificial indigo.

Despatches to the Government of India, with enclosures—
No. 10-Revenue, dated 22nd January 1904.
No. 121-Revenue, dated 19th August 1904.
No. 48-Revenue, dated 2nd March 1906.

It is not known whether the amended rates quoted in your letter under reply can be taken to represent the final proposal of the Japanese Government, but I am to remark that the differentiation in favour of natural indigo so far proposed does not appear to be sufficiently great to enable the two products to enter the Japanese market on equal terms.

I am, etc.,

COLIN G. CAMPBELL.

Bombay, 77-79, Apollo Street,

Dated, 31*st May*, 1910.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

R. D. BELL, ESQ., I. C. S.,

Under Secretary to the Government of Bombay,

Bombay.

Sir,

I am directed by my Committee to acknowledge the receipt of your letter of the 24th inst. enclosing copy of a letter from the Government of India dated the 17 inst. and its accompaniments on the subject of the proposed revised Commercial Tariff by the Japanese Government, and in response to your invitation for an expression of their opinion beg to reply as follows.

So far as the export trade of India with Japan is concerned, the Government of India is perfectly aware that the only important articles of merchandise are cotton and rice, the annual average of which for the last three years comes to 25,00,000 cwts. and 8,00,00,000 cwts. in quantity and Rs. 8,00,00,000 and Rs. 50,00,000 in value respectively. All other items of exports, indigo included, are wholly negligible, seeing that the above-named two commodities form four-fifths of the total exports to Japan. As far as rice is concerned, there is already an export duty thereon and the Committee are of opinion that it is hardly advisable to increase it. As to cotton, my Committee respectfully beg to invite the earnest

consideration of the Government of India to the following facts.

Firstly, Japan is enabled to compete with exporters of Indian yarn in the common market of Hongkong and Shanghai by reason of the subsidy on freight which is allowed to cotton importers by the Japanese Government either directly or indirectly. Secondly, by reason of the ports of Hongkong and Shanghai being at only a short distance from the Japanese ports, freight on yarn bales there is certainly cheaper than freight on yarn exported from Indian ports. Moreover it is notorious that even here some bounty is allowed on freight besides the temptation to lotteries offered by mill-owners.

As a result of these two operations it is well known that Japan has successfully entered into competition with Indian yarn in the markets of China. Not only have Indian exports of yarn to Japan ceased but the growth of the exports of Japanese yarn to China has been greatly on the increase, at the expense of Indian exports to that country, during the last few years, as could be noticed from reports of Japanese maritime trade.

My Committee beg to point out that but for these bounties Japanese yarn could not so successfully have competed with Indian yarn. So far then Japan has partly crippled Indian yarn trade. Under the circumstances the Government of India would be perfectly justified in imposing such a duty on all raw cotton exported to Japan from India as may neutralise the advantage which Japanese cotton industry now enjoys. My Committee think that such a duty might have been very reasonably levied by the Government long ago but since the Japanese Government has now chosen to embark on a policy of high protective tariffs, the very least that the Indian Government could do is to impose the duty suggested to countervail the bounty which alone, in the opinion of the Committee,

has enabled Japan to give a partial blow to Indian cotton industry.

My Committee seriously apprehend that the yarn trade might in the future be even greatly crippled than hitherto if the Government of India does not at this opportune stage recommend the Secretary of State, in the true interest of this country, to impose the countervailing duty proposed. In the opinion of my Committee such a duty will have the desired effect of protecting Indian yarn industry against bounty-fed Japanese cotton industry. Such a duty can in no sense be considered an infringement of the broad principles of free trade recognised by the British Government.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) MUNMOHANDAS RAMJI,

Chairman.

(Sd.) JAVASUKHLAL KRISHNALAL MEHTA,

Secretary.

APPENDIX R.

Bombay, February 1910.

To,

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Dear Sir,

We, the President and the Secretary of the Hindustani Native Merchants' Association beg to make the following representations to your Bureau in the hope that due consi-

deration may be given to them and the grievances the members of our Association have been suffering from, may be redressed and put an end to.

Before we set forth for your consideration the grievances, inconveniences and annoyances, to which our members are subjected, we should deem it proper to inform you that the members of our Association are the principal and whole-sale buyers of piece-goods in the Bombay Market and as such they have to consign, in the course of their business, piece-goods, so bought by both the G. I. P. Railway and B. B. & C. I. Railway lines.

The long-felt grievance is the thefts, committed on both the lines of consignments booked by above Railway Companies. In some cases the whole consignments are lost or missing and in some, a part of the goods in the individual package is extracted and stolen and nearly in all cases the criminals are not detected and found out, and are thus emboldened or encouraged to commit more thefts. We do not know whether such thefts are to be attributed to the Railway servants or to criminals outside the Railway staff, but we feel and opine that the Railway servants either, at booking stations or at the destination stations or at the different junctions where the goods are transferred from one line to another and where the goods do lie for some time for such purposes are chief of them.

We regret that the Railway Companies take few steps in tracing the thieves and in finding out the ways or means of checking the evil, and that in all cases the Companies seek protection and shelter under Section 75 of the India Railway Act IX of 1890, which is cited on the paper hereto attached and which provides that the excepted articles, such as silk, gold, and silver, if above the value of Rs. 100 must be insured at the rate given in the section and the

Railway Company shall be free from any liability if a package or a parcel containing silk or other excepted article is totally lost in transit.

We beg to state that the above section is the cause of all the mischief and is an encouragement to the staff and their accomplices, disposed to thieving, to do away with the whole package if they get a scent that the parcel or package contains silk or an excepted article.

The next grievance and an annoying one too, is that when the package is brought to a Railway station and declared by a consignor as containing the excepted article, the station master or the booking clerk is not satisfied with the declaration in writing of the sender but insists upon being satisfied as to the contents, by the package being required to be unpacked and opened. Now we leave it to your judgment to see what a vexation and an additional expense it is to a merchant, whose margin of profit is only a little in such consignments, to reopen a packed and a well packed case, or to be tempted to the evil and offence of bribing the clerk in order to shut his mouth.

We propose that under the evils resulting from the working of the section 75 above referred to, the word silk should be eliminated from the section and the Companies should put into practice the same rule which the Government observes as regards postal management by having now and then Test Cases, which are generally te see whether the clerks in the multifarious postal machinery are honest or not.

In conclusion we request that your Association will duly consider the above grievances and the suggested proposal, and will be pleased to approach the Bombay Chamber of

Commerce or the Government in the matter as you may deem proper.

Yours faithfully,

તારાચંદ જોહરમાલ,

i. e., TARACHAND JOHARMAL,

President.

બાળકીશન ગોવીંદરામ,

i. e., BALKISON GOVINDRAM,

Hon. Secretary.

નારણદાસ રાજારામની કું.

નંબર ૨ ડીન લેન, કોટ.

ટેલીગ્રાફીક એડ્રેસ.

મુંબાઇ, ૨૫મી એપ્રેલ સને ૧૯૧૦.

"WORTHY—BOMBAY."

સેકરેટરી,

ધી ઇન્ડીયન મરચંટસ ચેમ્બર તથા બરો,

શ્રીા મુંબાઇ.

સાહેબ,

રેલવે રિસીદને નેગોસીએબલ ઇનસ્ટ્રુમેન્ટ બનાવવાની વેપારી વર્ગની માંગણી ઘણી લાંબા વખતની આજે ચાલુ છે, પણ સતાવાલાઓએ તે બાબત લક્ષમાં લીધી નથી. રેલવે રશીદો ઉપર નાણાની જે મોટી રકમ ધારવાની જરૂર પડે છે, તેનો અનુભવ વેપારી વર્ગ સીવાય બીજાઓને ભાગ્યેજ આવી શકે ને, આવી રેલવે રસીદોનો કબજો કેવી નબલી અને નાજુક જમીનગીરી (સીકયુરીટી) છે. તેમજ રેલવે રસીદો તકલેદી બનાવટ ઉભી કરવી તે કેવું શહેલુકામ થઈ પડયું છે તે એક જાણીતી

હકીકત છે છતાં છેલા ચાર પાંચ માંસમાં મુબાઇના બજારમાં બનાવટી રેલવે રેલવે રસીદો એ કરેલા ગભરાટ તથા નુકશાન ઉપર આ ચેમ્બરનું લક્ષ ખેંચાવું જોઇએ.

ચાલુ મોસમમાં ખોટી રેલવે રસીદો બનાવી કમીશનનું કામ કરનારા વેપારીઓ પાસેથી ૩૦ ૮૩,૦૦૦) અંકે ત્રાયસી હજાર જેવી મોટી રકમ ઉચાપત કરવાની કોશેસ થઇ હતી અને તે કોશેસ ફતેહમંદ નીવડશે એવા સંજોગો દેખાતા હતા, આ ઉપરાંત રેલવે રસીદના માલો, રસીદનો કબજો ધરાવનાર શખ્સોની માંગણી છતાં લાંબો વખત સુધી ઘણાંક દાખલાઓમાં અટકી પડી, વાંધામાં પડયા હતા.

આ બાબત વેપારને લગતો એવો ગંભીર સંબધ ધરાવે છે કે અમો સુચના કરીએ છીએ કે આ પત્ર તાકીદે કમીટીની મીટીંગમાં મુકી તે વીષે શક્તાવાલાઓનું ઘણી મજબુતીથી ધ્યાન ખેંચવા યોગ્ય ગોઠવણ કરશો.

રેલવે રસીદને નેગોસીએબલ ઇનસ્ટ્રુમેન્ટ બનાવવામાં ઘણો મતફેર છે તો પણ વેપારી વર્ગ ઘણી મજબુતીથી માંગણી કરી શકે કે હાલમાં રેલવે રસીદના કોરી ફારમો જે શહેલાઇથી મળી શકે છે, તે ઉપર એકદમ આંકોશ મુકવા તેમજ રેલવે રસીદને માલ ચડાવનાર ઘણીને સોપ્યા પેહલા તેના ઉપર તે રસીદ ખરી છે, તેના પુરાવા દાખલ રેલવે કુંપનીનો ચોકસ સીકકો મારવાની રૂઢી રાખી હોય તો હાલના કરતા લુચાઇ થવાના સંભવ કંઇક ઓછા થાય. આ ઉપરાંત રેલવેમાં જે સ્ટેશને માલ ચહડાવવાનો હોય તે સ્ટેશને પણ રસીદ લાવનાર શખ્સને રેલવેવાલા તે મજકુર રસીદ ખરી છે કે બનાવટી તે બાબત તરત ખુલાસો કરી શકે એવો બંદોબસ્ત કરવાની રેલવેવાલાઓને અગત્ય સમજાવવા અમો કમીટીની ધ્યાનપર લાવીએ છીએ.

નારણદાસ રાજારામની કું૦.

Bombay, 20*th April* 1910.

To,

The Indian Merchants' Chamber and Bureau,

Respected Sir,

We beg to acknowledge the receipt of your kind letter dated the 22nd March 1910 and beg to send herewith the two instances which we have found in our favour.

We also beg to send the Risk Note and the copy of the rule 75 Railway Act IX of 1890 chapter VII together with the copy of the letter received from the Station Master of Chandausi and the copy of the receipt granted at Katni for the charges taken under the disguise that the goods in the box was under the excepted articles for which our purchasers were obliged to pay a penalty of Rs. 20 and an extra charge of Rs. 24.

We hope you will kindly put these papers before your Association and inform us of the opinion they may hold for it.

If you will manage for it and get the grievances removed, we shall be highly obliged.

The removal of the Risk Note and the amendment in the rule 75 attached herewith shall remove all the troubles and difficulties we are labouring under.

We have a sanguine hope that if you will take this matter in your hand, we shall be relieved and thank you

very much for this trouble you will be put to for our sake.

We remain,

Sir,

Yours faithfully,

Chairman and H. Sec. H. N. Merchants'

Association

Copy of the letter received from

the Station Master Chandausi.

No. 50/9/09

O. and R. Railway,

Goods office

Dated 2-12-09.

To

LALLA BALDEODAS GOPALRAI,

Merchants, Chandausi.

Dear Sirs,

V. T. Bombay to Chandausi.

Inv. No. 209 Rs./1577 of $13\frac{10}{09}$

9 Bales E. P. goods

your application of 10/11/09 to the address of T. Supdt, Lucknow.

In reply to your above I beg to inform you that as the above consignment has been booked at owner's risk under Risk Note Form A held at Bombay, so your claim cannot be entertained.

(Sd.) Station Master,

Chandausi.

Copy of the receipt.

Great Indian Peninsula Railway,

Katni Marwara J. N.

No. 235

Received from Kanialal Girdharilal.

Rs. Forty-four annas Eight only

only in payment of Railway charges on

marked——and entered on Invoice 94 of 22-1-10

from V. T. BB to Katni station

Rs. 44/8/- Details as under.

Rs. 20 Penalty

Rs. 24 Double the highest class

/8 Damages.

Total Rs. 44-8

The G. I. P. Railway is not responsible under section 75 chapter VII of the Indian Railway Act IX of 1890 for the loss, destruction or deterioration or damage to a parcel or package containing any of the articles when the value of the articles is more than one hundred rupees unless the person sending or delivering the parcel or package to the railway company, its value and contents to be declared or declared them at the time of the delivery of the parcel or package for carriage by Railway and unless an increased charge is paid as insurance for the safe conveyance and the same shall have been accepted by some person duly authorised to receive the same on behalf of the Railway.

Gold, silver and all other excepted articles——————Two annas per 100 Miles or fraction of 100 Miles.

(Silk)

12. Silk in a manufactured or unmanufactured state and whether wrought up or not, wrought up with other materials.

Bombay, 14th May, 1910.

THE BOMBAY COTTON EXCHANGE CO., LD.

THE SECRETARY.

The Indian Merchants' Chamber and Bureau,

Bombay.

DEAR SIR,

I beg to enclose herein for the information of your Committee a copy of a letter over the signatures of the Secretaries of our two Cotton Associations, forwarded to the address of the Traffic Managers B. B. & C. I. and G. I. P. Railways re: the recent forgeries of Railway Receipts for full-pressed cotton bales. As this is a matter of vital importance to the trade, I hope your Committee will give their best consideration to the same and support the proposals suggested therein for precautions and changes in the system of issuing Railway Receipts.

Yours Faithfully,

BOMANJEE S. MISTRI,

Secretary.

Bombay, 12th May, 1910.

THE TRAFFIC MANAGER,

G. I. P. RAILWAY.

DEAR SIR,

The attention of the Boards of Directors of the Bombay Cotton Trade Association, Limited and the Bombay Cotton Exchange Co., Limited, having been called to the late forgeries of Railway Receipts for full-pressed cotton bales on

which about Rs. 83,000 were raised from persons interested in local cotton trade this season, we are directed to say that as advances on Railway Receipts are necessary to this trade, our Boards desire to have minimised, as far as possible to this trade, the risk of being duped by forged Railway Receipts. With a view to this, they beg to suggest the following precautions and changes in the system of issuing Railway Receipts.

1. That blank forms for Railway Receipts be guarded by Station Masters at each station carefully, making it most unlikely that such forms could be available to outsiders easily.

2. That blank R. R. forms be supplied to Station Masters in book form, a record of the numbers of Railway Receipts in each book being kept at Head Offices of Railways.

3. At present our Boards are informed it is not possible for the Bombay Head Office to find out the numbers of Railway Receipts supplied to each station. In fact in one of the recent forgeries, the alleged Railway Receipts from Nardana Station bore the number of Railway Receipts supplied to Surat Station, and yet Railway Officials at Bombay could not say about four days after the presentation of the R. R. at Colaba, whether the forged Railway Receipts were genuine or not.

4. Before a Railway Receipt is handed over to the Consignor the same should be signed by the Station Master or another equally responsible officer of the station, who should put on it a seal or a stamp of the Railway as a proof of the genuineness of the Railway Receipt. At the time of handing over the R. R. to the Consignor, our Boards would suggest that a true copy thereof be forwarded to the Station of destination of the goods by next mail, so that if consignee of the goods, or the person to whom the consignee

may have endorsed over the R R. should choose to verify his R. R. at station of destination, it may be possible for the Railway authorities there to give him the necessary information.

5. Our Boards are perfectly aware that forgeries are possible even with the most elaborate system of administration, but they fe el that if their suggestions are accepted, the risk to the trade would be minimised as much as feasible without increasing unreasonably the cost to the Railway Company.

Yours Faithfully,

(Sd,) J. B. LESLEY-ROGERS,

Secretary,

Bombay Cotton Trade Association, Ltd,

(Sd.) BOMANJEE. S. MISTRI,

Secretary,

Bombay Cotton Exchange Co , Ltd.

THE GRAIN MERCHANTS ASSOCIATION.

305—319, MUSJID BUNDER ROAD

Bombay, 8th July 1910.

No. 82-466-1966.

To,

The Secretary,

The Indian Merchants' Chamber and Bureau,

Bombay

Dear Sir,

Under directions of my Committee I have the honour to send herewith copy of the correspondence, this Association had with the G. I. P. Railway authorities re: New Wharfage Rules put into force from the 1st instant, with a request to lay it before your Committee, which my Committee are sure will meet with their co-operation.

I shall be glad to give you full details orally as to the difficulties arising out of the working of these new Rules the time being too short to put them in black and white.

I remain, Dear Sir,

Yours faithfully,

LALSHANKER HARPRASAD.

Secretary.

THE GRAIN MERCHANTS ASSOCIATION.

MUSJID BUNDER ROAD,

No. 83-469-1966

Bombay, 8th July 1910.

To,

The Secretary,

The Indian Merchants' Chamber and Bureau,

Bombay.

Dear Sir,

Nowadays, i. e., to say from the last year the G. I. P. Railway authorities have been demanding Risk Notes in Form A. even though the stuff is packed in new and sound gunnies and other Railways are following suit.

The correspondence on the subject is on the files of this Association which are sent to you some time ago, and are lying with you at present.

In one of the letters by the General Traffic Manager of the G. I. P. Railway it is argued that as grain and seeds are packed in single gunnies such consigments fall under the wording of the Head Note to the said Risk Note A. However, my Committee differ and say that stuff packed in new and sound gunnies cannot be said to be so defectively packed as to be liable to damage, leakage or wastage in transit.

The grain and seeds, are from time immemorial, packed in single gunnies and it is only of late that the Railways are forcing execution of the Risk Notes in Form A. I may say that the enforcement they seek is only during monsoon.

Another matter not in connection with the above, but as regards Risk Note Form C has drawn the attention of my Committee and that is that the B. B. and C. I. Railway on account of want of covered wagons do not book goods on their Fazilka Branch (which at present has been brought to the notice of my Committee). Unless Risk Notes in Form C. are signed by the sender, the Head Note of the Risk Note show that that is only to be demanded when the senders elect to have their goods conveyed in open wagons. It is obvious that if the particular Railway administration lacks covered wagons, and have on that account to carry the goods in open wagons, it is not entitled to force execution of such Risk Notes. I may go further and say that if such Risk Notes are taken per force the Railway can be said to have exercised something like coercion, and renders the Risk Notes void under the Contract Act. Whatever be the legal effect that can only be seen when a case is made out for decision of a law Court. But at this stage it is desirable to come to some arrangements with the B. B. and C. I. Railway, as mostly wheat is imported by the said branch, and as it is an article of exportation, whether in its original state or converted into flour, the shipments are surely to be delayed on account of the unnecessary hitch put by the Railway Administration itself.

As regards Risk Note Form C. I have not approached the B. B. and C. I. Administration and I am directed to request your Committee to see their way if anything can be done by them in the interest of the trade.

I remain,

Dear Sir,

Yours faithfully,

LALSHANKER HARPRASAD,

Secretary.

THE GRAIN MERCHANTS' ASSOCIATION,

305-319, MUSJID BUNDER ROAD.

Bombay, 6th August 1910.

No. 100-497-1966.

To,

THE SECRETARY,

The Indian Merchants' Chamber and Bureau,

Bombay.

Re: Risk Note A.

DEAR SIR,

I beg to send you a copy of the letter received by the consignee Messrs. Rattonsey Kurpal from the Goods Agent Carnac Bridge regarding a survey on their lot of 100 Bags of gram, dal, the Survey Report whereof has already been sent to you.

You will see from the letter as to how the Railway Company safeguard their interests at the expense of the commercial class.

Yours truly,

LALSHANKER HARPRASAD,

Secretary.

BOMBAY BARODA AND CENTRAL INDIA RAILWAY.

GOODS AGENT'S OFFICE.

CARNAC BRIDGE,

Bombay, 3rd August 1910.

No. Y 1078.

MESSRS. RATANSEY KURPAL & Co.,

DANA BUNDER, MANDVI,

Bombay.

DEAR SIR,

With reference to your letter of to-day's date received after 16 o'clock I beg to inform you that the consignment was booked at owner's risk and I cannot agree to be party to any survey or inspection of the bags. Your Surveyor is at liberty to survey the bags on your behalf but a claim for damages in view of the Risk Note held by us cannot lie against the Railway Company.

Yours faithfully,

(Sd.)

Goods Agent.

THE GRAIN MERCHANTS' ASSOCIATION.

305-319, MUSJID BUNDER ROAD,

Bombay, 5th August 1910.

No. 97-489-1966.

To,

THE SECRETARY.

Indian Merchants' Chamber and Bureau,

Bombay.

Re: Risk Note Form A.

DEAR SIR,

In continuation of my letter of the 8th ultimo, I handed to you some time ago, Captain Erikson's report on one of the consignments that arrived by the G. I. P. Line and belonging to Messrs. Mausey Lukhamsey.

Now I beg to hand you herewith two more reports of the surveys held, and to draw your attention that it is not only the G. I. P. Line that is enforcing Risk Notes A, but also the B. B. &. C. I. Line does likewise, as will appear from the copy telegram enclosed.

You will thus see that it has become a general question over all the Indian Railways, and a general representation is, therefore, necessary.

Yours truly.

LALSHANKER HARPRASAD,

Secretary.

Bombay 23rd July 1910.

(copy.)

At the G. I. P. Ry., Wari Bunder.

Bill No. $\frac{889}{53}$ Invoice No. 7.

Siding 64, 240 bags. Wagon 3411

„ 111 100 bags „ 7442.

At the request of Mr. Ranchhoddas Hirjee, I surveyed the above bags and found them in good sound condition and consider that the Railway Company, are not justified in asking the consignor to sign Form A., when consigning goods in such bags.

Mr. Hubbard, Goods Superintendent. Wari Bunder was in attendance.

(Sd.) RICHARD BUTTES,

(E. D. SASSOON'S.)

(*The underline is that of the copyist.*)

(copy.)

At the request of Mr. Rattonsey Kurpal I have been to Carnac Bunder and examined a lot of 100 bags of Gram, dal Ry Receipt No. 684-100 Waggon No. 16116 lying in B Shed No. 110. Said to have been consigned on a Risk Note Form A.

I found the whole lot to be in as good and sound condition as possible the bagging and the stuff as well. In my opinion there can be no question raised as to damage

bad or defective packing and the consignor should be exempted from signing any Risk Note in such cases.

(Sd.) M. C. BRONZIS.

(copy of a telegram.)

Bombay, 3rd August 1910.

From

Muktsir. 25

To.

GRAIN MERCHANTS' ASSOCIATION BOMBAY.

R M. Railway taking Risk Note Form A. for gram, dal in new bags arranged with G. T. M.

RATTONSEY KURPAL.

BOMBAY, 77-79, APOLLO STREET,

Dated, 27th July 1910.

From

THE SECRETARY,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

THE AGENT,

The Great Indian Peninsula Railway.

Bombay.

SIR,

The attention of my Committee is drawn by grain, seed and cotton merchants to the hardships and inconveniences that are entailed upon their respective trades by reason of the recent changes in wharfage rules, in force upto this time. The principal changes, so far my Committee understand, are:—

1. A wharfage fee on all articles arriving before 6 P. M., on one day but not cleared out before the close of the next day.

2. A wharfage fee as above on all part consignments which also require to be cleared away without waiting for the arrival of the remainder.

With regard to the first change, my Committee observe with deep regret that the Railway Companies should have notified it without consulting the convenience of the merchants. If goods are unloaded between 5-30 and 6 P. M. it could only be about 8 o'clock in the evening before the carting agents are able to ascertain what goods have been unloaded in the latter part of the afternoon. Under the old arrangement as goods landed upto 3 P. M. only were required to be removed before the close of the next day to avoid wharfage, the necessary intimation to consignees of their arrival of their goods and removal on payment of freight the next day were possible without undue haste in ordinary course. Under the change now notified goods available for delivery before 6 o'clock have to be cleared away before the close of the next day. As a result carting agents will have less time than before to do this work next morning. This is likely to lead to much unnecessary inconvenience while increasing wharfage bills. Such a state of things is clearly neither to the interests of the merchants nor of your Company and my Committee therefore earnestly urge that having regard to the concensus of opinion among the commercial community the old rule will be reverted to at an early date.

It is presumed that these alterations in wharfage rules have been made to avoid possible congestion in goods yards.

It is to be feared however the course proposed to be adopted will hardly serve the purpose in view. The Committee are informed that the merchants are keen to remove their consignments as fast as they can just as your Company is to

see its yards cleared. The practical inconvenience of this however is that besides the insufficiency of the space in the goods yard for the goods traffic to be turned over every day, the mapping out of the goods yard of Colaba and Wari Bunder is very defective, so much so that many a time not more than one row of carts can pass through the yards.

Again, the surface of the yards after the rains is so uneven and cloddy that carting has to be done with difficulty. With reference to congestion of traffic at Wari Bunder the Committee are informed that great inconvenience is caused by the system of letting out Railway sheds and open spaces to private firms and individuals for godown purposes. It is not intelligible why there should be this letting out of the sheds and open spaces if the congestion already in the yard is admittedly a cause of serious inconvenience to merchants and Railway traffic from upcountry, the Committee therefore urge that the system of letting out sheds and open space be discontinued.

It is further pointed out that you have passed a rule since the 1st July to the effect that part consignments available for delivery should be removed without waiting for the remainder.

In this connection my Committee think that it is not only unjust but contrary to the recognised rules of Railway Companies to ask merchants to pay full freight when the Railway Company tenders for delivery only part consignments, and beg to hope that in future freight will be asked for only such consignments as are delivered.

Trusting that the suggestions aforemade will be favourably considered and adopted at an early date.

I beg to remain,
Sir,
Your most obedient servant,
(Sd.) JAYASUKHLAL K. METHA.
Secretary.

GREAT INDIAN PENINSULA RAILWAY COMPANY.

AGENT'S OFFICE.

VICTORIA TERMINUS.

No. 61. I/3. *Bombay, 1st September 1910.*

THE SECRETARY,

The Indian Merchants' Chamber and Bureau.

77-79 APOLLO STREET

Dear Sir,

Risk Note, Form "A".

My letter No. 61. I/1, date 5th August 1910.

With reference to your letter dated 26th July 1910, regarding merchants being required by this Company to execute Risk Note Form "A" in connexion with consignments of grain and seeds sent during the monsoon; I am to say that this Company has had to pay large sums of money in claims and as there is reason to believe that in some cases claims have been made, and sometimes paid, which might reasonably have been repudiated it has been decided to protect the Company's interests by demanding the execution of Risk Note Form "A".

Yours faithfully,

D. S. BURN,

Acting Secretary.

D A. NIL.

S. M. F.

77-79, APOLLO STREET.

Bombay, 26th July 1910.

From,

THE SECRETARY,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

THE AGENT,

The Great Indian Peninsula Railway,

Bombay.

Sir,

Several grain, and seed merchants of this Chamber have drawn attention of my Committee to the fact that since the last year the Railway Authorities have been placing an unduly extended meaning upon Risk Note Form A. Its head note reads as follows:—"To be used when articles are tendered for carriage which are either already in a bad condition or so defectively packed as to be liable to damage, leakage or wastage in transit." The wording of this note in common with that of other Risk Notes in vogue in India is ambiguous but not such as to justify the construction which appears to have been placed upon it by your Company. It appears that in the monsoon season you insist upon the Risk Note Form A being executed though the gunny tars may be in a perfectly sound condition.

My Committee beg to point out that the packing is sound enough to allow long journey travelling without any danger of leakage therefrom. It is well known that grain and seed exported to foreign countries, packed in this wise

(on which a risk note is demanded here) do not suffer any quantitative loss in transit though the journey lasts for many days and covers thousands of miles. *A fortiori* the gunny packing for a short journey cannot be said to be insufficient and insecure. While emphasising the fact that the packing generally used is perfectly sound, it may be observed that the margin of profits in trade is so small as to make it almost impossible for merchants to use any other material.

A copy of the survey report of Mr. Erckinson herewith annexed shows how goods certified to have been packed perfectly sound are yet made to be consigned under Risk Note Form A. Such a system of demanding Risk Notes is extremely injurious to trade apart from its one sided and most arbitrary character. In this connection the Committee would quote below an interesting letter from the Ag. Dy. Traffic Manager (Goods) of your Company to one Mr. Ranchordas Hirji dated the 10th July 1905. "————Instructions have been given that if contents are in a thoroughly sound and dry condition and the covering of such a nature as to thoroughly secure contents and prevent wastage a Risk Note Form A need not be taken."

My Committee are strongly of opinion that this ought to be the regular system and hope that instructions to that effect will be issued to the staff of the Company.

I beg to remain,

Sir,

Your most obedient servant,

(Sd.) JAYASUKHLAL K. MEHTA,

Secretary.

THE INDIAN MERCHANTS' CHAMBER AND BUREAU.

77-79, Apollo Street,

Bombay, 26th July 1910.

I, undersigned surveyer did at the request of Mr. Mousee Lukhamsey, attend on the 1st inst., at the Wari Bunder Goods Depot of the G. I. P. Railway, for the pupose of examining and certifying as to the condition of the under-noted goods said to have been consigned on a Risk Note Form A.

After a careful examination I report as follows :

P. H. N. 35, B-W B 56, Bags Rape seed, Invoice 221, of 30-6-10 Pakharayan to Wari Bunder.

Note.—The above are Railway Marks and there are no private or Merchants' marks on these bags.

I found the cover of the whole lot (56) bags to be new, clear and sound and on probing the bales the seed was found to be dry and in a perfectly sound condition.

In my opinion there can be no question raised as to damage bad or defective package.

The packing is as said above in as good condition as it possibly can be.

GREAT INDIAN PENINSULA RAILWAY COMPANY.

AGENT'S OFFICE.

VICTORIA TERMINUS,

No. 61-I/1. *Bombay, 5th August 1910.*

THE SECRETARY,

The Indian Merchants Chamber and Bureau,

77, 79, APOLLO STREET,

Bombay.

Dear Sir,

I have to acknowledge the receipt of your letter dated 26th July 1910, regarding Risk Note Form A, and to inform you that a reply will be sent to you in the matter in due course.

Yours faithfully,

Secretary.

D. A. NIL.
F. C.

9th August 1910.

From

THE SECRETARY,

The Indian Merchants' Chamber and Bureau,

Bombay.

To,

THE AGENT,

The Bombay, Baroda & Central India Railway,

BOMBAY.

Sir,

Several seed, and grain merchants of this Chamber have drawn the attention of my Committee to the fact that since the last two years the Railway Authorities have been placing an unduly extended meaning upon Risk Note Form

A. Its head note reads as follows:— "To be used when articles are tendered for carriage which are either already in a bad condition or so defectively packed as to be liable to damage, leakage or wastage in transit." The wording of this note in common with other Risk Notes in vogue in India is ambiguous but not such as to justify the construction which appears to have been placed upon it by your Company. It appears that in monsoon season you insist upon Risk Note Form A being executed though the gunny tares may be in a perfectly sound condition. My Committee beg to point out that the packing is sound enough to allow long journey travelling without any danger of leakage therefrom. It is well known that grain and seed exported to foreign countries, packed in this wise (on which a Risk Note is not demanded here) do not suffer any quantitative loss in transit though the journey lasts for many days and covers thousands of miles. *A fortiori* the gunny packing for a short journey cannot be said to be insufficient or insecure. While emphasising the fact that the packing generally used is perfectly sound, it may be observed that the margin of profits in trade is so small as to make it almost impossible for merchants to use any other material.

A copy of the survey report of Mr. M. C. Brouzis herewith annexed shows how goods certified to have been packed perfectly sound are yet made to be consigned under Risk Note Form A. Such a system of demanding Risk Notes is extremely injurious to trade apart from its one-sided and most arbitrary character. In this connection the Committee would quote below an interesting letter from the Ag. Dy. Traffic Manager of the G. I. P. Railway to one Mr. Ranchordas Hirji dated the 10th July 1905 "——— Instructions have been given that if contents are in a thoroughly sound and dry condition and the covering of such a nature as to thoroughly secure contents and prevent

wastage a Risk Note Form need not be taken." My Committee are strongly of opinion that this ought to be the regular system and hope that instructions to that effect will be issued to the staff of the Company.

I beg to remain,

Sir,

Yours most obedient servant,

(Sd.) JAVASUKHLAL K. MEHTA.

Secretary.

77-79, APOLLO STREET.

Bombay, *191.*

(Copy of the survey Report)

At the request of Mr. Ruttonsey Kurpal I have been to Karnack Bunder and examined a lot of 100 bags of Grain Dal R/Receipt——No. 5684/100 waggon No. 1646 lying in B. Shed No. 110 said to have been consigned on a Risk Note Form A.

I found the whole lot to be in as good and sound condition possible the bagging and the stuff as well. In my opinion there can be no question raised as to damage, bad or defective packing and the consignor should be exempted from signing any Risk Note in such cases.

Bombay 3rd August 1910.

(Sd.) M. C. BROUZIS.

for Messrs. FAKHIRI Co.

BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

TRAFFIC SUPERINTENDENTS OFFICE,

No. Ca 55 11-10/1

23rd August 1910.

From

The Traffic Superintendent,

Bombay.

To

THE SECRETARY,

Indian Merchants' Chamber and Bureau,

APOLLO STREET, BOMBAY.

Subject

Reference.

Sir,

With reference to your letter dated 9th August '10 to the address of the Agent of this Railway, I beg to inform you that our practice during the Monsoon has been to demand Risk Note Form "A" on grain and seeds in bags only when tendered in wet condition or when there is reason to suspect that damaged stuff is put in new bags.

Yours obediently,

Traffic Superintendent.

Bombay, 12th August, 1910.

From

THE CHAIRMAN,

The Indian Merchants' Chamber and Bureau,

Bombay.

To

THE SECRETARY,

The Railway Board,

Simla.

Sir,

The attention of the Committee of this Chamber is drawn to the fact that the question of the Revision of Risk Note Forms B. and H. is to come on for consideration at the Railway Conference, to be held in the month of September at Simla.

Embracing the opportunity my Committee beg to press upon the attention of the Railway Board the advisability of assimilating Risk Note Forms B. and H. to those in force in the United Kingdom. The demand of the commercial community is no new one. Indeed it dates as far back as 1888 when the Bombay Chamber of Commerce consulted Messrs. Craigie Lynch and Owen, Solicitors who gave their opinion as follows:—"We would therefore beg to suggest that some amendment be made to Chapter VII of this Bill (Railway Bill) which would prevent Railway Companies from contracting themselves out of the consequences of the wilful neglect or misconduct of themselves or of their servants and from making contracts which would prevent them from being held liable for loss, etc., to goods under all circumstances whatever." This opinion was

endorsed by the Committee of the Bombay Chamber of Commerce and was communicated to the Government of India.

Fully endorsing the above opinion the Committee express the hope that the Government will see the justice and reasonableness of amending Chapter VII, Sec. 72, of the Railway Act so far as to afford that fair and adequate protection which the owners of property entrusted to railways for transport have a right to claim but which Railway Administrations ignore by adopting special Forms of Contract of an one-sided character under the extensive powers conferred on them by the Act. These powers have been working prejudicially to mercantile interests, as they absolve Railway Companies from all responsibility for loss, arising from inattention, carelessness or negligence of their own servants. This contention has been advanced again and again by almost all commercial bodies and private individuals and firms but without any avail. The state of things apprehended at the passing of the Railway Bill has come to pass, chiefly through Railway Risk Note Forms B. and H. These Forms, ambiguously worded as they are give a great deal of latitude to Railway Companies in the matter of exemption of all liabilities. Worse still, they are, the Committee are of belief, a direct incentive to thefts by Railway servants. It is only natural that where masters shirk their just responsibility servants find the greatest temptation to peculation. As the Section stands at present Railway Companies exempt themselves from ordinary liabilities of carriers which are thus defined by the Indian Contract Act. "In all cases of bailment the bailee is bound to take as much care as a man of ordinary prudence would, under similar circumstances, take care of his own goods of the same bulk, quality and nature as the goods bailed."

My Committee beg to assure the Railway Board that they do not exaggerate when they say that continuous

complaints of merchants regarding Railway thefts are due primarily to the want of any proper definition of responsibilities by Railway Companies.

It was only four years back that the Risk Note Forms B. and H. were so revised that a loss of a complete consignment or one or more complete packages forming part of a consignment due to the neglect of a Railway Company was not exempted by the terms of the Risk Note. But even this change, a slight concession though it was to the demands of the commercial community, is not without its defects and has failed to adequately meet the real grievance. What is really wanted is a thorough assimilation of the Indian Risk Note Forms B. and H. with the English Risk Notes. Both the Indian and English Risk Note Forms are similar in all respects with this exception that the latter contains the following important proviso "except upon proof that such loss, damage, misdelivery, delay or detention arose from wilful misconduct on the part of the Company's servants." Such a proviso if inserted in the Indian Risk Note Forms B. and H. will, the Committee believe, be much appreciated by the commercial community and will be preventive to a large extent of thefts and damage. In support of the request my Committee would quote here from the Report of Mr. Robertson on the Administration of Railways in India: "In England a Railway is not exempted from liability of the wilful acts of its own servants, and the present conditions in the Indian Risk Note cannot work in the best interests of the country at large." It is to be hoped that looking to the interests of the commercial community and of the country at large the proposal hereinbefore suggested will receive favourable consideration and be agreed to by the Railway Conference.

Regarding the aforesaid amendment made in Risk Note Forms in 1906 the Committee beg to bring to your notice the

fact that even though some facility is given to merchants by holding Railway Companies responsible for the loss of a complete consignment of one or more packages its effects are nullified by the proviso about "robbery in the running train." This phrase is, my Committee fear, too comprehensive. The Marwari Association of Calcutta well observed in their letter last year that consignments might be delivered incomplete and yet if no proofs were forthcoming of the theft having taken place at any particular station when the train was standing still proofs would be difficult to get and the consignee would lose all his claims on the inference that the theft must have taken place when the train was in motion. My Committee beg to urge that the phrase 'robbery in a running train' be deleted from the Revised Risk Note Forms B. and H. It goes without saying that were the Board to assimilate the Indian Risk Note Forms with the British ones there would be no necessity for all these changes. In conclusion the Committee again request that taking into consideration the concensus of opinion among the commercial community on this very subject, the Railway Board will not fail to adopt the suggestions made so as to put an end to this long-standing and absolutely just and well-founded grievance.

I beg to remain,

Sir,

Your most obedient servant

(Sd.) MANMOHANDAS RAMJI,

Chairman.

(Sd.) JAYASUKHLAL K. MEHTA,

Secretary.

(Sd.) PURSHOTUMDAS THAKORDAS,

Vice-Chairman.

APPENDIX S.

THE INDIAN MERCHANTS'

Income and Expenditure Account for

EXPENDITURE.	Rs.	a.	p.	Rs.	a.	p.
To Office Establishment	2,481	0	0			
,, Postage and Carriage	152	0	9			
,, Miscellaneous Expenses	119	2	7			
,, Subscriptions to various Journals and Magazines	385	2	7			
,, Telegrams	80	4	0			
,, Stationery	172	10	10			
,, Printing Chambers' Report, etc. ..	695	2	0			
,, Printing of the Journal	1,239	8	0			
,, Commissions on Advertisements ..	113	8	1			
,, Furniture	13	9	6	5,452	0	4
,, **Balance**, *viz.*, Deposit at the Bombay Merchants Bank	3,000	0	0			
,, Cash at Indian Specie Bank.. ..	1,548	15	6			
,, Cash on hand	22	14	11	4,571	14	5
				10,023	14	9

I have examined the above Account of Income and Expenditure with the Books and Vouchers of The Indian Merchants' Chamber and Bureau and certify the same to be correct. I have further compared the Balance at the Bankers with their certificates.

BOMBAY,
20th September 1910.

ARTHUR C. RICE, A. C. A.,
Chartered Accountant,
Honorary Auditor.

APPENDIX S.

CHAMBER AND BUREAU.

the year ended 31st August 1910.

INCOME.	Rs.	a.	p.	Rs.	a.	p.
By Balance brought forward	...	..	..			
,, Cash at Bankers	4,162	2	7			
,, Cash on hand	25	15	8	4,188	2	3
,, Subscriptions to the Chamber ..	4 645	0	0			
,, ,, Journal	544	13	3			
,, Advertisements to the Journal ..	544	3	6			
,, Interest on Current Account ..	101	11	9	5,835	12	6
				1,0023	14	9

MUNMOHUNDAS RAMJI,

Chairman.

JAVASUKHLAL K. MEHTA,

Secretary.

ધી ઇન્ડીઅન મર્ચન્ટસ ચેમ્બર એન્ડ બુરોની કમિટીનો ૧૯૦૯-૧૦ નો વાર્ષિક રીપોર્ટ.

ચેમ્બરનો ત્રીજો વાર્ષિક રીપોર્ટ રજુ કરતાં તમારી કમિટી જણાવવાને ખુશી થાય છે કે આખા વર્ષમાં ચેમ્બરે જે કામ-કાજ કર્યું તે ઘણું ઉપયોગનું હતું, નીચલા સવાલો જે ચેમ્બરે હાથ ધર્યા હતા એ પરથી જણાશે કે એ સવાલો જોડે વેપારી આલમનું હિત કેટલો બધુ જોડાયલું હતું:—

નામદાર શેહેનશાહ એડવર્ડ સાતમાનું મૃત્યુ.

૧. આ વર્ષમાં મોટામાં મોટો ખેદ કારક બનાવ નામદાર ભલા શહેનશાહ એડવર્ડ સાતમાના મૃત્યુનો બનવા પામ્યો હતો બાદશાહી કુટુંબીઓને અને નામદાર જ્યોર્જને દીલાસો દરશાવનારો તાર આખી દેશી વેપારી કોમની તરફથી તમારી કમિટીએ મોકલી આપ્યો હતો જેમાં એવા સર્વ ચાહ અને માન પામેલા બાદશાહના મૃત્યુથી થયેલી દલગીરી દર્શાવામાં આવી હતી.

ધારા સભાના મેમ્બરની ચુંટણી.

૨, બીજો જે સવાલ આપણી ચેમ્બરે હાથ ધર્યો, તે નામદાર મુંબઇ સરકારે આપેલા ચેમ્બર અને પીસગુડસ વચ્ચે મુંબઇની ધારા સભા માટે એક મેમ્બરની ચુંટણી કરવા સંબંધીનો હતો. અને એ રૂએ શેઠ મનમોહનદાસ રામજી ધારા સભાના એક મેમ્બર તરિકે આપણા ચેમ્બર અને પીસ ગુડસ વચ્ચે એક મતે ચુંટી કાઢાયા હતા.

યુરોપીઅન નામ હેઠળ વેપાર કરતી હીંદી પેઢીઓ.

૩. બીજો ચેમ્બરે **યુરોપીઅન નામ હેઠળ ચાલતી હીંદી પેઢીઓ** વેપાર કરતી અટકાવવાને નામદાર સરકારને એક રેપ્રેઝન્ટેશન કર્યું હતું, તે જાણીને તમારી કમિટી ઘણી દલગીર થઇ હતી અને આ ચેમ્બરના પગલાં સામે તમારી કમિટીએ નામદાર સરકારને એક પ્રોટસ્ટ તરતજ મોકલાવ્યો હતો. એમાં એમ જણાવ્યું

હતું કે જો નામદાર સરકાર ઉપલા રેપ્રેઝન્ટેશન પ્રમાણે કંઇ પણ કરશે, તો એ પગલું અન્યાય ભરેલું અને વેપારી કોમને ઘણી આફત ભરેલુ થઇ પડશે.

રેલ્વે વધારવ મંબંધી.

૪. ત્યાર પછી નામદાર સરકારે રેલવે ક્યાં આગળ બાંધવી એ પર આ ચેમ્બરનો મત પૂછાવ્યો હતો, અને આ ચેમ્બરે નીચે પ્રમાણે રેલવે બાંધવા સંબંધી સુચના કરી હતી.

૧. બારસી અને પરભાની વચ્ચે.

૨. આબુ રોડ અને ઉદેપુર વચ્ચે.

૩. ધોંડ અને બારામતી વચ્ચે.

એ ઉપરાંત તમારી કમિટીએ રાધનપૂર અને નાગરપરકરથી જતી વીરમગામથી બદીન સુધીની વધારેલી લાઇન કચ્છ રણની બાજુએથી પસાર થાય તેને બદલે કચ્છના અંદરના ભાગમાં લંબાવવામાં આવે અને સોનગઢથી પાલીતાણાની લાઇન મહુવા સુધી વધારવામાં આવે એ પ્રમાણે સૂચના કરી હતી.

દસ ને પચાસ રૂપિઆની નોટો આખા હિંદુસ્તાનનાં ચલણમાં દાખલ કરવાનો.

૫. કેટલાક વખત થયાં મોટી કિમતની નોટો આખા હિંદુસ્તાનમાં આપ લે થઇ શકે એ માટે ચર્ચા ચાલતી હતી. આ સંજોગો નામદાર સરકારે ધ્યાનમાં લઇને હિંદુસ્તાનનાં ચલણમાં સઘળે ઠેકાણે ચાલે એવી રૂ. દસ ને રૂ. પચાસની દાખલ કરવાં સંબંધમાં આપણા ચેમ્બરનો અભિપ્રાય માંગ્યો હતો એ સંબંધી આપણી કમિટીએ પસંદગી બતાવી અને એ ઉપરાંત નામદાર વડી સરકારને એમ સૂચનાં કરી કે એથીએ વધારે કિંમતની નોટો હિંદુસ્તનના તમામ લોકના સગવડને ખાતર ચલણમાં દાખલ કરવામાં આવે તો ઘણું સારૂં.

રેજીસ્ટર્ડ કાગળનો દર ઓછો કરવાનો.

૬. અર્થ શાસ્ત્રનો એક મોટો નિયમ એવો છે કે લોકના વ્યવહારના સાધનોવાળાં ખાતાં જેવાં કે રેલ્વે, પોસ્ટ, તારખાતું, એવાં જે ખાતાં પોતાના દરો વખત જતાં ઓછા કરે, તો લોકો એનો વધારે ને વધારે લાભ લે અને તે ખાતાંની આવકમાં વધારો કરે. એ નીયમની રૂએ, આપણી કમિટીએ નામદાર સરકારને રજીસ્ટ્રડ કાગળપર જે દર લેવાય છે, તે ઓછો કરવાની વિનંતી કરી હતી, કે જેમ થવાથી લોકો એનો વિષેસ લાભ લે. એ ઘણુ અન્યયી ભરેલું છે કે મનીઆરડર કરવામાં રેજીસ્ટ્રડ કાગળ કરતાં ઓછો દર આપવો પડે છે જ્યારે રેજીસ્ટ્રડ કાગળ કરતાં મનીઆરડરમાં પોસ્ટલ ખાતાને વધારે જોખમ સમાયેલું છે.

ટુંકા સરનામવાળા તાર.

૭. નામદાર સરકારને અને કરાંચી ચેમ્બર વચ્ચે ટુંકા સરનામાવાળા તારને એના ધણીને નહિ પહોંચાડવ સંબંધી અને ટુંકા સરનામા રેજીસ્ટ્રડ કરવા સંબંધી ઘણો ધ્યાન ખેંચાણુ કારક પત્ર વ્યવહાર ચાલ્યો હતો. આપરથી તમારી કમિટીએ નામદાર સરકારને એક પત્ર લખ્યો તેમાં એમ જણાવ્યું કે ઉપલા પ્રમાણેજ અમલ કરવામાં આવશે તો જન સમાજને ઘણી હરકત અને અડચણુભોગવવી પડશે. વિશેષમાં તમારી કમિટીએ એમ સૂચના કરી હતી કે જો ટુંકા સરનામાવાળા કાગળ તારખાતાંના માણસથી નહિં પહોચાડી શકાય, તો એ જેમ **અનપેઠ** કાગળો પોસ્ટ ખાતું પહોચાડે છે, તેમ પહોંચાડવા.

ઇન્ડીઅન કું૦ એકટ સુધારવા બાબત.

૮. ઇન્ડીઅન કંપનીઝ એકટ ૧૮૮૨માં બ્રિટીશ કંપની એકટ મૂજબ ઘણો ખરો ઘડવામાં આવ્યો હતો. પણ જ્યારે બ્રિટીશ કંપનીઝ એકટમાં અવાર નવાર સુધારા કરવામાં આવ્યા હતા, ત્યારે આપણા ઇન્ડીઅન કું૦ એકટમાં કંઇ પણ સુધારા દાખલ કરવામાં આવ્યા નહોતા. દર્મ્યાન મુખ્યત્વે કરીને છેલ્લાં દશ વર્ષમાં ઘણી જાઈન્ટ સ્ટોક કંપનીઓ ઉભી કરવામાં આવી છે અને તેને લગતી ઘણી ગંભીર પ્રકારની ખામીઓ બહાર આવી હતી જેથી વેપારી અને ઔધોગિક વધારાને ઘણો ધોકો પહોંચ્યો. અને નામદાર વડી સરકારે એમાં સુધારા દાખલ કરવાને ઘણો

ડાહ્યો ઠરાવ કીધો, જ્યારે નામદાર એ સંબંધી આપણી કમિટીનો મત માંગ્યો હતો, ત્યારે તમારી કમિટીએ એ સંબંધી એમ મજબુત ભલામણ કરીકે બ્રિટીશ એકટ જે ૧૯૦૮ સુધારવામાં આવ્યો હતો અને જે ગ્રેટ બ્રિટેનમાં ચાલતી કંપનીઓના અનુભવ ધ્યાનમાં લઇને પછી કરવામાં આવ્યો હતો, તેજ આપણા દેશમાં દાખલ કરવો.

ખાણ સંબંધી કાયદા કાનુનોમાં સુધારા દાખલ કરવા.

૯. જ્યારે નામદાર વડી સરકાર ખાણ સંબંધીના કાયદાને કાનુનોમાં સુધારા દાખલ કરવા માટે વિચાર ચલાવતી હતી, ત્યારે આપણી ચેમ્બરનો એ સંબંધી વિચાર પુછવામાં આવ્યો હતો. અને જે નવા ખાણ શોધનાર ને અડચણો પડતી હતી, તે દુર થાય એ પ્રમાણે નામદાર સરકારને સુચનાવાળો પત્ર મોકલવામાં આવ્યો હતો.

જાહેર તેહવારો.

૧૦. દર વર્ષે નામદાર સરકાર બીજા વર્ષ માટે કયા જાહેર તેહવારો પાળવા તે ઉપર વિચાર ચલાવે છે. તમારી કમિટીને એમ લાગ્યું કે જે તેહવારો મુકરર કરવામાં આવે છે તે દેશી વેપારીની તેહવારોની કમિટીમાં ગેરહાજરીને લીધે ઘણાખરા તેહવારને દિવસે પડતા નથી અને ખોટા દિવસ તેહવારના પાળવામાં આવેછે. આ જાણીને નામદાર સરકારે લખી જણાવ્યું કે જ્યારે એ માટે કમિટી નિમવાનો વખત આવશે, ત્યારે આપણને આપણી ચેમ્બરનો એક સભાસદ મોકલવાને લખી જણાવશે.

હિંદુસ્તાનનાં વેપારના આંકડા.

૧૧. ડીરેકટર-જેનરલ ઓફ કમરશિયલ ઇન્ટેલીજન્સે આંપણા ચેમ્બરને પુછાવ્યુ' કે વાર્ષિક વેપારી રીપોર્ટમાં આંકડા જે હાલ આપવામાં આવ્યા છે, તેમાં રૂપિયા અને પૌંડના પણ આંકડા આપવામાં આવે છે, તે ફકત પૌંડમાં આપવામાં આવે તો વેપારીને કંઇ અડચણ પડશે કે કેમ. તમારી કમિટીએ એ સંબંધમાં પોતાની નાપસંદગી બતાવી હતી, કારણ કે હજુ સુધી આપણા લોક એકલા પૌંડના આંકડા સાથ માહિતગાર થયા હોય એમ લાગતા નથી, અને એથી તેઓને ઘણી અડચણ ને વિટંબણા પડે. એ પ્રમાણેનો કાગળ મોકલવામાં આવ્યા હતો.

રૂપાં ઉપરના લેવામાં આવેલી વધારેની જકાત.

૧૨. છેલ્લાં બજેટ વખતે નામદાર સરકારને આવક ઓછી થવાના સંભવને લીધે ચાંદીપર વધારે જગાત નાંખવાનો વિચાર કર્યો હતો. ઉપલી જગાત સામે તમારી કમિટીએ સરકારને પ્રોટેસ્ટ કર્યા. અને વડી ધારા સભામાં ચેમ્બરે આસ તાર કર્યો તોપણ કમનસિબે નામદાર વડી સરકાર પોતાના અસલ વિચારને વલગી રહી હતી.

ઇન્ડીઅન પેટન્ટ એન્ડ ડીઝાઇન એકટ.

૧૩. ઇન્ડીઅન કંપની એકટ માફક ઇન્ડીઅન પેટન્ટ એન્ડ ડીઝાઇન એકટમાં પણ વધતો જતા ઉદ્યોગના પ્રમાણમાં કંઇ પણ સુધારા અત્યાર સુધી કરવામાં આવ્યા નહોતા. તેમાં પણ નામદાર સરકારે આ વખત ધ્યાનમાં લઇને એમાં સુધારા કરવાનો ઠરાવ કર્યો હતો. ઇન્ડીઅન પેટન્ટ અને ડીઝાઇન બીલનો ખરડો આપણા ચેમ્બરને એનાપર શું શું સુચના કરવી છે, તે માટે મોકલવામાં આવ્યો હતો. અને એનાપર યોગ્ય સુચનાઓ નામદારને મોકલવામાં આવી હતી.

જાપાનીઝ ટેરીફ.

૧૪. નવાં થયેલાં જાપાનીઝ ટેરીફમાં જણાવેલી કેટલીએક ચીજો ઉપર નામદાર સરકારે ચેમ્બરનો મત માંગવાથી તમારી કમિટીએ સુચાવ્યું કે ચીનની બજારમાં હિંદુસ્તાન સાથે બાઉન્ડીવાળું જાપાનીઝ સુતર હરીફાઇ કરે છે તેથી હિંદી રૂ ઉપર નિકાશ જકાત નાંખવી.

રેલ્વે બાબત કેટલી-એક મુશ્કેલીઓ.

૧૫. આપણા વેપારીઓને રેલ્વે બાબે જે હાડમારી પોતાના માલ ચઢાવવાની અને ઉતરવાની પડે છે તે આપણી કમીટીના ધ્યાનમાં ધી ગ્રેન મર્ચેન્ટસ એશોસિયેશન અને હિંદુસ્તાની નેટીવ મર્ચન્ટસ એશોસિયેશન લઇ આવી. આ સંબંધમાં તમારી કમીટીએ જી. આઇ. પી. રેલ્વેને વૉરફેજ સંબંધી એક કાગળ લખ્યો તથા બી. બી. એન્ડ સી આઈ. રેલ્વેને અને જી. આઇ. પી. ને રીસ્ક નોટ ફોર્મ એ બાબદ કાગળો લખ્યા. વળી તેઓએ રેલ્વે બોર્ડ ઉપર રીસ્ક નોટ ફોર્મ. બી અને એચ. ઉપર એક રેપ્રેઝન્ટેશન મોકલ્યું.

00133670

Digitized with financial assistance from

Government of Maharashtra

on 01 February, 2020